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PROCEEDINGS AND DEBATES OF THE 91st CONGRESS, FIRST SESSION

SENATE—Friday, December 5, 1969

The Senate met at 9:30 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, in whom we live and move and have our being, we thank Thee for this moment when we lift our hearts to Thee.

When the burdens are heavy, give us strength to carry them. When the pressures are great, grant us inner peace. When the days are long and duties irksome, give us a poise and power to think clearly and act wisely for the Nation's welfare.

O Father, give us grace to bear the wounds of criticism, the hurt of misunderstanding, the pain of misjudged motives, and the monotony of daily toil.

In the turbulent days in which we live, grant to us a steadfast faith, an enduring hope, and the will to seek the Kingdom of God and His righteousness, in the sure knowledge all else will be in order. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, December 4, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION—OBJECTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

Mr. GRIFFIN. Mr. President, I am sorry, but I must object, upon request.

The ACTING PRESIDENT pro tempore. Objection is noted.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the calendar.

There being no objection, the Senate proceeded to consider executive business.

U.S. MINT AT DENVER

The ACTING PRESIDENT pro tempore. The nomination will be stated.

The legislative clerk read the nomination of Hildreth Frost, Jr., of Colorado, to be Assayer of the Mint of the United States at Denver, Colo.

The ACTING PRESIDENT pro tempore. Without objection, the nomination will be considered; and, without objection, it is confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER FOR ADJOURNMENT TO 9 A.M. TOMORROW, SATURDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REVISION OF THE CRIMINAL LAW AND PROCEDURE OF THE DISTRICT OF COLUMBIA

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of Senate bill 2869, which will be considered for not more than 30 minutes.

The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2869) to revise the criminal law and procedure of the District of Columbia, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment to strike out all after the enacting clause and insert:

TITLE I

SEC. 101. The second sentence of section 14-305, District of Columbia Code, is amended to read: "The fact of conviction of a crime which reflects either on honesty or veracity shall be admissible in evidence to affect his credibility as a witness, either upon the cross-examination of the witness or by evidence aliunde, and the party cross-examining him is not bound by his answers as to such matters; the fact of conviction shall not be admissible to affect his credibility as a witness, however, as to any crime where a period of more than ten years had elapsed since the date of the release of the

witness from confinement resulting from conviction of said crime, or since the expiration of the period of his parole, probation, or sentence, resulting from such conviction, whichever is the later date."

SEC. 102. Paragraph (b) (2) of District of Columbia Code, section 14-307, is amended by inserting after the phrase "where the accused raises the defense of insanity", the following: "or where the court is required under prevailing law to raise the defense sua sponte".

SEC. 103. (a) The analysis of title 16 of the District of Columbia Code is amended by inserting, after the reference to chapter 9, the following new reference:

"10. Proceedings Regarding Intrafamily Offenses ----- 16-1001".

(b) Title 16 of the District of Columbia Code is amended by inserting after chapter 9 the following new chapter:

"Chapter 10.—PROCEEDINGS REGARDING INTRAFAMILY OFFENSES

"Sec.

"16-1001. Intrafamily offense.

"16-1002. Complaint of criminal conduct; referrals to Family Division.

"16-1003. Petition for civil protection.

"16-1004. Petition; notice; temporary order.

"16-1005. Hearing; evidence; protection order.

"16-1006. Dismissal of petition; notice.

"§ 16-1001. Intrafamily offense

"(a) An intrafamily offense is an act, punishable as a crime or offense, committed:

"(1) by one spouse against the other;

"(2) by a parent, guardian, or other legal custodian against a child; or

"(3) by one person against another person with whom he shares a mutual residence and is in a close relationship rendering the application of this chapter appropriate.

"(b) References in this chapter to the 'complainant' or 'family member' include any individual in the relationship described in subsection (a).

"§ 16-1002. Complaint of criminal conduct; referrals to Family Division

"(a) Upon the complaint of any person of criminal conduct or the arrest of a person charged with criminal conduct, where it appears to the United States attorney that the conduct involves an intrafamily offense, he shall notify the Director of Social Services.

"(b) The Director of Social Services may investigate the matter, attempt to effect conciliation by counseling, and make such recommendations to the United States attorney as he deems appropriate. Any statement made, and information secured as a result of such statement, in an investigation by or other discussion with the Director of Social Services, however, shall be inadmissible in evidence in a criminal trial over the objection of the person who made the statement.

"(c) The United States attorney may file a criminal charge based upon the conduct and may consult with the Director of Social Services concerning appropriate recommendations for conditions of release taking into account the intrafamily nature of the offense.

"(d) Where the United States attorney has

not earlier filed a criminal charge based upon the conduct, he may refer the matter to the Corporation Counsel for the filing of a petition for civil protection in the Family Division. Prior to any such referral, the United States attorney shall consult with the Director of Social Services concerning the appropriateness of the referral. A referral to the Corporation Counsel by the United States attorney shall not preclude the United States attorney from subsequently filing a criminal charge based upon the conduct, if he deems it appropriate, but no criminal charge may be filed after the Division begins receiving evidence pursuant to section 16-1008.

"§ 16-1003. Petition for civil protection

"(a) Upon referral by the United States attorney, or upon application of any person or agency for a civil protection order with respect to an intrafamily offense committed or threatened, the Corporation Counsel may file a petition for civil protection in the Family Division.

"(b) In any matter referred to him by the United States attorney in which the Corporation Counsel does not file a petition, he shall so notify the United States attorney.

"§ 16-1004. Petition; notice; temporary order

"(a) Upon filing of a petition by the Corporation Counsel, the Division shall set the matter for hearing, consolidating it, where appropriate, with other matters before the Division involving members of the same family.

"(b) The Division shall cause notice of the hearing to be served on the respondent, the complainant, and, if appropriate, the family member endangered (or, if a child, the person then in physical custody of the child), the Director of Social Services, and the Corporation Counsel. The respondent shall be served with a copy of the petition together with the notice and shall be directed to appear at the hearing. The Division may also cause notice to be served on other members of the family whose presence at the hearing is necessary to the proper disposition of the matter.

"(c) If, upon the filing of the petition, the Division finds that the safety or welfare of a family member is immediately endangered by the respondent, it may, ex parte, issue a temporary protection order of not more than ten days duration and direct that the order be served along with the notice required by this section.

"§ 16-1005. Hearing; evidence; protection order

"(a) Members of the family receiving notice shall appear at the hearing. In addition to the parties, the Corporation Counsel may present evidence at the hearing. Statements made, and information secured as a result of such statements, in an investigation by or other discussion with the Director of Social Services, however, shall not be admissible until the Division has made its finding (under subsection (c)); but, thereafter, the Director of Social Services may report to the Division, and such statements and information shall be cognizable by the Division, prior to the issuance of the order.

"(b) In a hearing under this section, one spouse shall be a competent and compellable witness against the other, and may testify as to confidential communications notwithstanding the provisions of section 14-306 of this Code; but testimony compelled over a claim of a privilege conferred by section 14-306 shall be inadmissible in evidence in a criminal trial over the objection of a spouse entitled to claim that privilege.

"(c) If, after hearing, the Division finds that there is good cause to believe the respondent has committed or is threatening an intrafamily offense, it may issue a protection order—

"(1) directing the respondent to refrain from the conduct committed or threatened

and to keep the peace toward the family member;

"(2) requiring the respondent, alone or in conjunction with any other member of the family before the court, to participate in psychiatric or medical treatment, or appropriate counseling programs;

"(3) directing, where appropriate, that the respondent avoid the presence of the family member endangered; or

"(4) directing the respondent to perform or refrain from other actions as may be appropriate to the effective resolution of the matter.

"(d) A protection order issued pursuant to this section shall be effective for such period up to one year as the Division may specify, but the Division may, upon motion of any party to the original proceeding, extend, rescind, or modify the order for good cause shown.

"(e) Any final order issued pursuant to this section and any order granting or denying extension, modification, or rescission of such order shall be appealable.

"(f) Violation of any temporary or permanent order issued under this chapter and failure to appear as provided in subsection (a), shall be punishable as contempt.

"§ 16-1006. Dismissal of petition; notice

"(a) The Division may dismiss a petition if the matter is not appropriate for disposition in the Division.

"(b) If a petition dismissed under subsection (a) was originated by referral from the United States attorney, and the dismissal was prior to the receipt of evidence pursuant to section 16-1005, the Division shall notify the United States attorney of the dismissal."

SEC. 104. The Act of March 3, 1901 (31 Stat. 1189), as amended, is further amended by adding after section 907 the following new section:

"SEC. 907A. (a) Whenever the court—

"(1) finds that a person who stands convicted in the District of Columbia of a felony has previously been convicted of two or more felonies, as provided in subsections (b) and (c) of this section, and

"(2) in view of the history, character, and mental state of the defendant, as well as the nature and circumstances of his criminal conduct, furthermore determines that the rehabilitative impact of incarceration pursuant to a sentence authorized other than under this section (for the crime of which the defendant stands convicted) would be substantially and unusually unavailing, and that extended incarceration and lifetime supervision will best serve the interests of the public and of the defendant, the court may, in lieu of any sentence otherwise authorized for the crime of which the defendant stands convicted, impose a sentence of imprisonment for an indeterminate number of years up to life as determined by the court: *Provided*, That no sentence may be imposed pursuant to this section unless (A) the court first orders that the defendant be examined by two persons, one of whom shall be a licensed psychiatrist, and the other of whom shall be qualified to the court's satisfaction in the field of clinical psychology and experienced in psychological diagnosis and therapy with respect to persons convicted of crime, (B) the results of such examination, as reported to the court by such examining persons within fifteen days after issuance of the examination order (pursuant to (A)), support the requisite determination aforementioned (in (2)), and (C) the Court gives due consideration to any contrary information, including independent examination results, submitted by the defendant or his counsel.

"(b) A previous felony conviction is a conviction of a felony in a court of the District of Columbia or of the United States, or of a crime in any other jurisdiction,

which was classified as a felony under the laws of that jurisdiction and was punishable by imprisonment for more than one year: *Provided*, That

"(1) the defendant was adjudged guilty of that crime prior to the commission of the present felony; and

"(2) the defendant was not pardoned on the ground of innocence.

"(c) For the purpose of determining whether a person has two or more previous felony convictions, the initial sentencing of such person for one of said previous felony convictions must have preceded the commission of the acts which led to another of said previous felony convictions."

SEC. 105. District of Columbia Code, section 23-204, is amended to read as follows:

"§ 23-204. Appeals by United States and District of Columbia

"(a) (1) The United States or the District of Columbia may appeal an order entered before the trial of a person charged with a criminal offense, which directs the return of seized property, suppresses evidence or otherwise denies the prosecutor the use of evidence at trial, if the United States attorney or the Corporation Counsel conducting the prosecution for such violation certifies to the judge who granted such motion that the appeal is not taken for purpose of delay and the evidence is a substantial proof of the charge pending against the defendant.

"(2) A motion for return of seized property or to suppress evidence shall be made before trial unless opportunity therefor did not exist or the defendant was not aware of the grounds for the motion.

"(b) The United States or the District of Columbia may appeal an order dismissing an indictment or information or otherwise terminating a prosecution in favor of a defendant or defendants as to one or more counts thereof, except where there is an acquittal on the merits.

"(c) The United States or the District of Columbia may with leave of the trial court appeal a ruling, made during the trial of a person charged with a criminal offense, which suppresses or otherwise denies the prosecutor, on the ground that the evidence was invalidly obtained, the use of evidence which is a substantial proof of the charge being tried against the defendant: *Provided*, That the United States attorney or the Corporation Counsel conducting the prosecution for such violation shall certify to the trial court that the appeal is not taken for purpose of delay. The trial court shall adjourn the trial until the appeal shall be resolved—except that, if the decision on appeal has not been rendered within forty-eight hours of said adjournment, the trial shall resume on the next day of regular court business following the expiration of said forty-eight-hour period, and the appeal shall be deemed void and without effect.

"(d) Any appeal taken pursuant to this section either prior to or during trial shall be expedited. If an appeal is taken pursuant to subsection (c) during trial, the appellate court shall hear argument on such appeal within twenty-four hours of the aforementioned adjournment of trial, shall dispense with any requirements of written briefs other than the supporting materials previously submitted to the trial court, shall render its decision within twenty-four hours of argument on appeal, and in so rendering may dispense with the issuance of a written opinion. Such appeal and decision shall not affect the right of the defendant, in a subsequent appeal from a judgment of conviction, to claim error consisting of a reversal by the trial court on remand of a ruling previously appealed from during trial.

"(e) Pending the prosecution and determination of an appeal taken pursuant to this section, the defendant shall be detained or released in accordance with chapter 207, of title 18, United States Code."

SEC. 106. (a) The analysis of chapter 1 of title 23, District of Columbia Code, is amended by adding the following reference at the end thereof:

"23-111. Proceedings to establish previous convictions."

(b) Chapter 1 of title 23, District of Columbia Code, is amended by adding the following new section at the end thereof:

"§ 23-111. Proceedings to establish previous convictions

"(a) No person who stands convicted of an offense under the laws of the District of Columbia shall be sentenced to increased punishment by reason of one or more previous convictions, unless—

"(1) prior to the entering of a plea of guilty or otherwise prior to trial, the United States attorney or the Corporation Counsel separately informed such person in writing of the said previous convictions to be relied upon;

"(2) a copy of such information with respect to previous conviction was at the same time also filed with the court where the instant offense was tried; and

"(3) the person, if the increased punishment which may be imposed is imprisonment for a term in excess of eighteen months, was charged by or waived indictment for the instant offense.

"(b) In any case where a person stands convicted in the District of Columbia of an offense, and the prosecutor, in conformity with subsection (a) of this section, has served on the defendant and has filed an information alleging previous convictions that would subject the person to increased punishment, the courts shall inquire of him whether he affirms or denies that he has been previously convicted as alleged in the information, and shall inform him that any challenge to a previous conviction which is not made before sentence is imposed may not thereafter be raised to attack the sentence.

"(c) (1) If the person denies any allegation of the information of previous conviction, or claims that any conviction alleged is invalid, he shall file a written response to the information. A copy of the response shall be served upon the prosecutor. The Court shall hold a hearing to determine any issues raised by the response which would except the person from increased punishment. The hearing shall be before the court without a jury, and either party may introduce evidence. The prosecuting authority shall have the burden of proof beyond a reasonable doubt on any issue of fact except as otherwise provided in paragraph (2) of this subsection. At the request of either party, the court shall enter findings of fact and conclusions of law.

"(2) A person claiming that a conviction alleged in the information was obtained in violation of the Constitution of the United States shall set forth his claim, and the factual basis therefor, with particularity, in his response to the information. The person shall have the burden of proof by a preponderance of the evidence on any issue of fact raised by the response. Any challenge to a previous conviction, not raised by response to the information before an increased sentence is imposed in reliance thereon, shall be waived unless good cause be shown for failure to make a timely challenge.

"(d) (1) If the person files no response to the information, or if the court determines, after hearing, that the person is subject to increased punishment by reason of previous convictions, the court shall proceed to impose sentence upon him as provided by law.

"(2) If the court determines that the person has not been convicted as alleged in the information, or that a conviction alleged in the information is invalid, or that the per-

son is otherwise not subject to an increased sentence as a matter of law, the court shall, at the request of the prosecutor, postpone sentence to allow an appeal from that determination. If no such request is made, the court shall impose sentence as provided by law. The person may appeal from an order postponing sentence as if sentence had been pronounced and a final judgment of conviction entered."

SEC. 107. (a) Paragraphs (5) and (6) of District of Columbia Code section 23-521(f) are amended to read as follows:

"(5) Where the judicial officer has found cause therefor, including one of the grounds set forth in paragraph (1) of section 23-522 (c), an authorization for execution at any time of the day or night; or, otherwise, a direction that the warrant be executed during the hours of daylight;

"(6) Where the judicial officer has found cause therefor, including one of the grounds set forth in paragraph (2) of section 23-522(c), an authorization that the executing officer enter premises or vehicles to be searched without giving notice of his authority and purposes; and"

(b) Subsection (f) of District of Columbia Code section 23-521 is amended by adding the following renumbered paragraph at the end thereof:

"(7) A direction that the warrant and an inventory of any property seized pursuant thereto be returned to the court on the next court day after its execution."

SEC. 108. Subsection (c) of District of Columbia Code section 23-522 is amended to read as follows:

"(c) The application may also contain:

"(1) A request that the search warrant be made executable at any hour of the day or night, upon the ground that there is probable cause to believe that (A) it cannot be executed during the hours of daylight, (B) the property sought will be removed or destroyed if not seized forthwith, or (C) the property sought will not be found except at certain times or in certain circumstances.

"(2) A request that the search warrant authorize the executing officer to enter premises to be searched without giving notice of his authority and purpose, upon the ground that there is probable cause to believe that (A) the property sought may and, if such notice is given, will be easily and quickly destroyed or disposed of, or (B) the giving of such notice will immediately endanger the life or safety of the executing officer or another person.

"Any request made pursuant to this subsection must be accompanied and supported by allegations of fact of the kind prescribed by paragraph (3) of subsection (b)."

SEC. 109. (a) Subsection (a) of District of Columbia Code section 23-524 is amended to read as follows:

"(a) An officer executing a warrant directing a search of premises or a vehicle shall, except as herein provided, give, or make reasonable effort to give, notice of his authority and purpose to an occupant thereof before entering therein.

"No notice need be given if:

"(1) The warrant expressly authorizes entry without notice;

"(2) The officer does not deliberately conceal his authority or purpose and is freely admitted; or

"(3) Circumstances, either unknown to the applicant or which the applicant did not have reason to know when applying for the warrant, but known to the executing officer at the time of execution, give the officer probable cause to believe that (A) the property sought may and, if such notice is given, will be easily and quickly destroyed or disposed of, or (B) the giving of such notice will immediately endanger the life or safety of the officer or another person.

"If the officer is not admitted upon such

notice, or if there are circumstances excusing notice, he may forcibly enter and may use against any person resisting his entry or search such force as is necessary to execute the warrant."

(b) Subsection (e) of District of Columbia Code section 23-524 is amended to read as follows:

"(e) An officer or agent executing a search warrant may seize:

"(1) any property enumerated in the warrant; and

"(2) any other property, which said officer or agent discovers by observation incident to and as an inadvertent consequence of said execution as to enumerated property, and only if he has probable cause to believe such other, unenumerated property to be subject to seizure pursuant to section 23-521 (d). No additional warrant shall be required to authorize seizure pursuant to this paragraph if the property is fully set forth in the return.

"Seizure pursuant to this subsection may include taking physical or other impressions, or performing chemical, scientific, or other tests or experiments, to such extent as is reasonable under all of the circumstances."

SEC. 110. Paragraph (3) of District of Columbia Code section 23-581(a) is amended by inserting the following before the semicolon at the end thereof: ", as well as any offense for which an officer may make such arrest (without a warrant and upon probable cause) pursuant to some other express provision of law".

SEC. 111. (a) The analysis of chapter 5 of title 23, District of Columbia Code, is amended by adding the following new reference at the end thereof

"23-582. Arrests without warrant by other persons".

(b) Chapter 5 of title 23, District of Columbia Code, is amended by adding the following new section at the end thereof:

"§ 23-582. Arrests without warrant by other persons.

"(a) A special policeman shall have the same powers as a law enforcement officer to arrest without warrant for offenses committed within premises to which his jurisdiction extends, and may arrest outside the premises on fresh pursuit for offenses committed on the premises.

"(b) A private person may arrest another:

"(1) whom he has probable cause to believe is committing in his presence—

"(A) a felony, or

"(B) an offense described in paragraph (3) of section 23-581(a); or

"(2) in aid of a law enforcement officer or special policeman.

"(c) Any person making an arrest pursuant to this section shall deliver the person arrested to a law enforcement officer without unreasonable delay."

TITLE II DEFINITIONS

SEC. 201. As used in this title:

(a) "Wire communication" means any communication made in whole or in part through the use of facilities—

(1) employed for the transmission of communications by the aid of wire, cable, or other like connection between the point of origin and the point of reception; and

(2) furnished or operated by a communication common carrier.

(b) "Oral communication" means any oral communication uttered—

(1) by a person exhibiting an expectation that such communication is not subject to interception; and

(2) under circumstances justifying such expectation.

(c) "Contents", when used with respect to any wire or oral communication, includes

any information concerning the identity of the parties to such communication or the existence, substance, or meaning of such communication.

(d) "Intercepting device" means any device or apparatus that can be used to intercept a wire or oral communication other than—

(1) any telephone or telegraph instrument, equipment, or facility, or any component thereof,

(i) furnished to the subscriber or user by a communications common carrier in the ordinary course of its business and being used by the subscriber or user in the ordinary course of its business; or

(ii) being used by a communications common carrier in the ordinary course of its business, or by an investigative or law enforcement officer in the ordinary course of his duties; and

(2) a hearing aid or similar device being used to correct subnormal hearing to not better than normal.

(e) "Intercept" means aurally acquire the contents of any wire or oral communication through the use of any intercepting device.

(f) "Person" means any officer, agent, or employee of the Government of the United States or of the District of Columbia, or any individual, partnership, association, joint stock company, trust, or corporation.

(g) "Aggrieved person" means a person who was a party to any intercepted wire or oral communication, or any person against whom the interception was directed.

(h) "Court" means the United States District Court for the District of Columbia or any judge thereof, the Superior Court of the District of Columbia or any judge thereof, any judge of the United States Court of Appeals for the District of Columbia Circuit, or any judge of the District of Columbia Court of Appeals.

(i) "Investigative or law enforcement officer" means any United States marshal or deputy United States marshal, any officer or agent of the United States Capitol Police, Federal Bureau of Investigation, Park Police, or White House Police, or any officer or agent of the Metropolitan Police Department of the District of Columbia, who is empowered by law to conduct investigations of, or to make arrests for, any offense enumerated in subsection (c) of section 206 of this title, and any attorney authorized by law to prosecute or participate in the prosecution of any such offense.

(j) "Communication common carrier" means any person engaged as a common carrier for hire in the transmission of communications by wire or radio.

(k) "United States attorney" means the United States attorney for the District of Columbia or any of his assistants designated by him or otherwise by law to act in his place for the particular purpose in question.

INTERCEPTION, DISCLOSURE, AND USE OF WIRE OR ORAL COMMUNICATIONS PROHIBITED

SEC. 202. (a) Except as otherwise specifically provided in this title, any person who in the District of Columbia—

(1) willfully intercepts, endeavors to intercept, or procures any other person to intercept or endeavor to intercept any wire or oral communication;

(2) willfully discloses or endeavors to disclose to any other person the contents of any wire or oral communication, or evidence derived therefrom, knowing or having reason to know that the information was obtained through the interception of a wire or oral communication; or

(3) willfully uses or endeavors to use the contents of any wire or oral communication, or evidence derived therefrom, knowing or having reason to know, that the information

was obtained through the interception of a wire or oral communication;

shall be guilty of a felony and shall be fined not more than \$10,000 or imprisoned not more than five years, or both; except that paragraphs (2) and (3) of this subsection shall not apply to the contents of any wire or oral communication, or evidence derived therefrom, that has become common knowledge or public information.

(b) It shall not be unlawful under this section for—

(1) an operator of a switchboard, or an officer, agent, or employee of a communication common carrier, whose facilities are used in the transmission of a wire communication, to intercept, disclose, or use that communication, in the normal course of his employment while engaged in any activity which is a necessary incident to the rendering of his service or to the protection of the rights or property of the carrier of such communication. No communication common carrier shall utilize service observing or random monitoring except for mechanical or service quality control checks;

(2) a person acting under color of law to intercept a wire or oral communication, where such person is a party to the communication, or where one of the parties to the communication has given prior consent to such interception; or

(3) a person not acting under color of law to intercept a wire or oral communication, where such person is a party to the communication, or where one of the parties to the communication has given prior consent to such interception, unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the Constitution or laws of the United States, any State, or the District of Columbia, or for the purpose of committing any other injurious act.

POSSESSION, SALE, DISTRIBUTION, MANUFACTURE, ASSEMBLY, AND ADVERTISING OF WIRE OR ORAL COMMUNICATION INTERCEPTING DEVICES PROHIBITED

SEC. 203. (a) Except as otherwise specifically provided in subsection (b) of this section, any person who in the District of Columbia—

(1) willfully possesses an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(2) willfully sells an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(3) willfully distributes an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(4) willfully manufactures or assembles an intercepting device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication; or

(5) willfully places in any newspaper, magazine, handbill, or other publication any advertisement of,

(i) any interception device, the design of which renders it primarily useful for the purpose of the surreptitious interception of a wire or oral communication;

(ii) any intercepting device where such advertisement promotes the use of such device for the purpose of the surreptitious interception of a wire or oral communication; shall be guilty of a felony and shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

(b) It shall not be unlawful under this section for—

(1) a communication common carrier or an officer, agent, or employee of, or a person under contract with a communication common carrier, in the usual course of the communication common carrier's business; or

(2) a person under contract with the Government of the United States, a State or a political subdivision thereof, or the District of Columbia, or an officer, agent, or employee of the Government of the United States, a State or a political subdivision thereof, or the District of Columbia;

to possess, sell, distribute, manufacture or assemble, or advertise any intercepting device, while acting in furtherance of the appropriate activities of the United States, a State or political subdivision thereof, the District of Columbia, or a communication common carrier.

CONFISCATION OF WIRE OR ORAL COMMUNICATION INTERCEPTING DEVICES

SEC. 204. Any intercepting device in the District of Columbia—

(1) possessed;

(2) used;

(3) sold;

(4) distributed; or

(5) manufactured or assembled;

in violation of sections 202 and 203 of this title may be seized and forfeited to the District of Columbia.

IMMUNITY OF WITNESSES

SEC. 205. Whenever, in the judgment of the United States attorney, the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any trial, hearing, or proceeding before any grand jury or court in the District of Columbia involving any violation of this title, or any conspiracy to violate this title, is necessary to the public interest, the United States attorney may make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section, and upon order of the court such witness shall not be excused from testifying or from producing books, papers or other evidence relating to any violation of this title, or any conspiracy to violate this title, on the basis that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. No such witness shall be prosecuted or subjected to any penalty or forfeiture for, or on account of, any transaction or matter concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence. No testimony so compelled shall be used as evidence in any trial, hearing or proceeding against such witness. No such witness shall be exempt under this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section.

APPLICATIONS FOR AUTHORIZATION OR APPROVAL OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 206. (a) The United States attorney may authorize, in writing, any investigative or law enforcement officer to make application to a court for an order authorizing the interception of any wire or oral communication, when such interception may provide evidence of any offense enumerated in subsection (c) of this section.

(b) The United States attorney may authorize, in writing, any investigative or law enforcement officer to make application to a court for an order of approval of the previous interception of any wire or oral communication, when the contents of such communication—

(1) relate to an offense other than that specified in an order of authorization;

(2) were intercepted in an emergency situation; or

(3) were intercepted in an emergency situation and relate to an offense other than that contemplated at the time the interception was made.

(c) An application for an order of authorization as provided in subsection (a) of this section or of approval as provided in paragraph (2) of subsection (b) of this section may be authorized only when such interception may provide or has provided evidence of any of the following offenses—

(1) any offense specified in the following sections of the Act of March 3, 1901, as amended: section 798, 800, or 802 (relating to murder) (D.C. Code, sec. 22-2401, 22-2403, or 22-2205), section 812 (relating to kidnapping) (D.C. Code, sec. 22-2101), sections 863, 866, or 869e (relating to gambling) (D.C. Code, secs. 22-1501, 22-1505, 22-1513), and section 826 (relating to grand larceny) (D.C. Code sec. 22-2201);

(2) any offense involving bribery, obstruction of justice, extortion, or threats to kidnap or injure a person or damage his property punishable under section 861, Act of March 3, 1901, as amended (D.C. Code, sec. 22-701), Act of July 1, 1902 (32 Stat. 590, 591), as amended (D.C. Code, sec. 22-702), section 862, Act of March 3, 1901, as amended (D.C. Code, sec. 22-703), Act of February 26, 1936 (D.C. Code, sec. 22-704), section 819, Act of March 3, 1901 (D.C. Code, sec. 22-2305), and sections 1501 and 1502, Act of June 19, 1968 (D.C. Code, secs. 22-2306 and 22-2307); and

(3) any offense involving manufacturing, compounding, selling, prescribing, administering, dispensing, or otherwise purveying, or maintaining a common nuisance in connection with the use of, any narcotic or other dangerous drug, prohibited by sections 2 or 16, Act of June 20, 1938, as amended (D.C. Code, secs. 33-402 or 33-416) and section 203, Act of June 24, 1956 (D.C. Code, sec. 33-702).

PROCEDURE FOR AUTHORIZATION OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 207. (a) Each application for an authorization to intercept a wire or oral communication, or for approval of the previous interception of any such communication, shall be made in writing upon oath or affirmation and shall state—

(1) the authority of the applicant to make such application;

(2) the identity of the investigative or law enforcement officer for whom the authority to intercept a wire or oral communication is sought and the identity of whoever authorized the application;

(3) the facts, with particularity, relied upon by the applicant, including,

(i) the identity of the particular person, if known, committing the offense and whose communications are to be or were intercepted;

(ii) the details as to the particular offense that has been, is being, or is about to be committed;

(iii) the particular type of communication to be or which was intercepted;

(iv) the character and location of the particular wire communication facilities involved or the particular place where the oral communication is to be or was intercepted;

(v) the period of time for which the interception is required to be maintained, and, if the character of the investigation is such that the authorization for interception should not automatically terminate when the described type of communication has been first obtained, facts establishing probable cause to believe that additional communications of the same type will occur thereafter; and

(vi) facts showing that other investiga-

tive procedures have been tried and have failed or reasonably appear or appeared to be unlikely to succeed if tried or to be too dangerous; and

(4) where the application is for the extension of an order, particular facts showing the results thus far obtained from the interception, or a reasonable explanation of the failure to obtain such results;

(5) the complete facts concerning all previous applications, known to the individual authorizing and to the individual making the application, made to any court for authorization to intercept or for approval of the previous interception of a wire or oral communication involving any of the same facilities or places specified in the application or involving any person whose communication is to be or has been intercepted, and the action taken by the court on each such application.

(b) The court may require the applicant to furnish additional testimony or documentary evidence in support of the application.

(c) Upon such application, the court may enter an ex parte order, as requested or as modified, authorizing or approving the interception of a wire or oral communication, if the court determines on the basis of the facts submitted by the applicant that there is or was probable cause for belief that—

(1) the person whose communication is to be or was intercepted,

(i) is engaging or was engaged over a period of time as a part of a continuing criminal activity; or

(ii) is or was committing, has or had committed, or is or was about to commit at a specific time;

an offense as provided in subsection (c) of section 206 of this title;

(2) particular communications concerning such offense may be or have been obtained through such interception;

(3) normal investigative procedures have been tried and have failed or reasonably appear or appeared to be unlikely to succeed if tried or to be too dangerous; and

(4) the facilities from which, or the place where, the wire or oral communications are to be or were intercepted are or were being used, or are or were about to be used, in connection with the commission of such offense, or are or were leased to, listed in the name of, or commonly used by, such individual.

(d) If the facilities from which a wire communication is to be or was intercepted are or were public, no order of authorization or approval shall be issued unless the court, in addition to the matters provided in subsection (c) of this section, determines that there is or was a special need to intercept wire communications over such facilities.

(e) If the facilities from which a wire communication is to be or was intercepted are or were being used, or are or were about to be used, or are or were leased to, listed in the name of, or commonly used by, a licensed physician, a licensed attorney at law, or practicing clergyman, or if the place where an oral communication is to be or was intercepted is or was a place used primarily for habitation by a husband and wife, no order shall be issued unless the court, in addition to the matters provided in subsection (c) of this section, determines that there is or was a special need to intercept wire or oral communications over such facilities or in such place. If the place where an oral communication is to be or was intercepted is or was a place used primarily for his own professional purposes by a licensed physician, a licensed attorney at law, or practicing clergyman, no order of authorization or approval of such interception shall be issued under this title. No otherwise privileged wire or oral communication intercepted in accord-

ance with, or in violation of, the provisions of this title, shall lose its privileged character.

(f) Each order authorizing or approving the interception of any wire or oral communication shall specify—

(1) the jurisdiction of the court issuing the order;

(2) the identity of, or a particular description of, the person, if known, whose communications are to be or were intercepted;

(3) the character and location of the particular communication facilities as to which, or the particular place of the communication as to which, authority to intercept is granted or was approved;

(4) a particular description of the type of the communication to be or which was intercepted and a statement of the particular offense to which it relates;

(5) the identity of the investigative or law enforcement officer to whom the authority to intercept a wire or oral communication is given or was approved and the identity of whoever authorized the application; and

(6) the period of time during which such interception is authorized or was approved, including a statement as to whether or not the interception shall automatically terminate when the described communication has been first obtained.

(g) No order entered under this section shall authorize or approve the interception of any wire or oral communication for a period of time in excess of that necessary under the circumstances. Every order entered under this section shall require that such interception begin and terminate as soon as practicable and be conducted in such a manner as to minimize or eliminate the interception of such communications not otherwise subject to interception under this title. In no case shall an order entered under this section authorize or approve the interception of wire or oral communications for any period exceeding thirty days. Extensions of such an order may be granted for periods of not more than thirty days. No extension shall be granted unless an application for it is made in accordance with this section, and the court makes the findings required by this section.

(h) Whenever an order authorizing an interception is entered, the order may require reports to be made to the court which issued the order showing what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such intervals as the court may require.

PROCEDURE FOR APPROVAL OF INTERCEPTION OF WIRE OR ORAL COMMUNICATIONS

SEC. 208. (a) An order of approval of the interception of any wire or oral communication relating to an offense other than that specified in the order of authorization may be issued where the court finds on an application for an order of approval as provided in section 207 of this title that such interception was otherwise made in accordance with this title. Such application shall be made as soon as practicable.

(b) Notwithstanding any other provision of this title, any investigative or law enforcement officer, specially designated by the United States attorney, who reasonably determines that—

(1) an emergency situation exists with respect to conspiratorial activities characteristic of organized crime that requires a wire or oral communication to be intercepted before an order authorizing such interception can with due diligence be obtained; and

(2) there are grounds upon which an order could be entered to authorize such interception;

may intercept such wire or oral communica-

tion if an application for an order approving the interception is made in accordance with section 207 of this title within twelve hours after the interception has occurred, or begins to occur. Such interception shall immediately terminate when the communication sought is obtained or when the application for the order is denied. In the event such application for approval is denied, or in any other case where the interception is terminated without an order having been issued, the contents of any wire or oral communication intercepted shall be treated as having been obtained in violation of this title, and an inventory shall be served as provided for in section 210 of this title.

(c) An order of approval of the interception of any wire or oral communication may include the approval of the interception of a wire or oral communication in an emergency situation as described in subsection (b) of this section where the communication relates, however, to an offense other than that contemplated at the time the interception was made, if the court finds that such interception was otherwise made in accordance with this title. Such application shall be made as soon as practicable; except that this subsection shall not be construed to supersede the provisions of subsection (b) of this section.

(d) In addition to any other right of appeal, the United States shall have the right to appeal from a denial of an order of approval made under this section if the United States attorney shall certify to the court that the appeal is not taken for purposes of delay. The appeal shall be taken within thirty days after the denial was made and shall be diligently prosecuted.

MAINTENANCE AND CUSTODY OF RECORDS

SEC. 209. (a) Any wire or oral communication intercepted in accordance with sections 207 and 208 of this title shall, if practicable, be recorded by tape or wire or other comparable method. The recording shall be done in such a way as will protect it from editing or other alteration. Immediately upon the expiration of the period of the order or extensions thereof, the tapes or wire recordings or other records shall be transferred to the court issuing the order and sealed under its direction. Custody of the tapes or wire recordings or other records shall be maintained whenever the court directs. They shall not be destroyed except upon court order and in any event shall be kept for ten years.

Duplicate tapes or wire recordings or records may be made for disclosure or use pursuant to subsection (a) of section 211 of this title. The presence of the seal provided by this section, or a satisfactory explanation for its absence, shall be a prerequisite for the disclosure of the contents of any wire or oral communication, or evidence derived therefrom, under subsection (b) of section 211 of this title.

(b) Applications made and orders granted under sections 207 and 208 of this title shall be sealed by the court. Custody of the applications and orders shall be maintained wherever the court directs. They shall not be destroyed except on order of the court and in any event shall be kept for ten years. They may be disclosed only by court order upon a showing of good cause.

(c) Any violation of the provisions of this section may be punished as contempt of the issuing or denying court.

INVENTORY

SEC. 210. Within a reasonable time but not later than ninety days after the termination thereof or the date of the denial of an order of approval, the issuing or denying court shall cause to be served on the person named in the order or application, and such other parties to the intercepted communications as

the court may determine in its discretion to be in the interest of justice, an inventory which shall include—

(a) notice of the entry of the order or the application for a denied order of approval;

(b) the date of the entry of the order or the denial of the application for an order of approval;

(c) the period of authorized, approved, or disapproved interception;

(d) a statement of whether, during the period, wire or oral communications were, or were not, intercepted. The court, upon the filing of a motion, may in its discretion make available to such person or his counsel for inspection such portions of the intercepted communications, applications, and orders as the court determines to be in the interest of justice. On an ex parte showing of good cause to the court, the serving of the inventory required by this section may be postponed.

AUTHORIZATION FOR DISCLOSURE AND USE OF INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 211. (a) Any investigative or law enforcement officer who, by any authorized means and in conformity with this title, has obtained knowledge of the contents of any wire or oral communication, or evidence derived therefrom, may disclose or use such contents or evidence to the extent that such disclosure or use is appropriate to the proper performance of his official duties.

Any person who, by any authorized means and in conformity with this title, has obtained knowledge of the contents of any wire or oral communication intercepted in accordance with sections 207 and 208 of this title, or other lawful authority, or evidence derived therefrom, may disclose the contents of such communication or evidence while giving testimony under oath or affirmation in any criminal trial, hearing, or proceeding before any grand jury or court.

(c) The contents of any intercepted wire or oral communication, or evidence derived therefrom, may otherwise be disclosed or used only by court order upon a showing of good cause.

PROCEDURE FOR DISCLOSURE AND SUPPRESSION OF INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 212. (a) The contents of any wire or oral communication intercepted in accordance with sections 207 and 208 of this title, or evidence derived therefrom, shall not be disclosed in any trial, hearing, or proceeding before any court or other authority of the United States or the District of Columbia unless ten days before the trial, hearing, or proceeding—

(1) the inventory as provided in section 210 of this title has been served; and

(2) the parties to the action have been served with a copy of the order and accompanying application under which the interception was authorized or approved.

The service of inventory, order, and application required by this subsection may be waived by court order where a court finds that the service is not practicable and that the parties will not be prejudiced by the failure to make the service.

(b) (1) Any aggrieved person in any trial, hearing, or proceeding in or before any court or other authority of the United States or the District of Columbia may make motion to a court to suppress the contents of any intercepted wire or oral communication, or evidence derived therefrom, on the grounds that,

(i) the communication was unlawfully intercepted;

(ii) the order of authorization or approval is insufficient on its face;

(iii) the interception was not made in conformity with the order of authorization;

(iv) service was not made as provided in subsection (a) of this section; or

(v) the seal provided in subsection (a) of section 209 of this title is not present and there is no satisfactory explanation for its absence.

The motion shall be made before the trial, hearing, or proceeding unless there was no opportunity to make the motion or the moving party was not aware of the grounds for the motion. The court, upon the filing of such motion by the aggrieved person, may in its discretion make available to the aggrieved person or his counsel for inspection such portions of the intercepted communication, or evidence derived therefrom, as the court determines to be in the interests of justice. If the motion is granted, the contents of the intercepted wire or oral communication, or evidence derived therefrom, shall not be received in evidence in the trial, hearing, or proceeding.

(2) In addition to any other right to appeal, the United States or the District of Columbia shall have the right to appeal from an order granting a motion to suppress if the United States attorney or, where applicable on behalf of the District of Columbia, the Corporation Counsel shall certify to the court that the appeal is not taken for purpose of delay. The appeal shall be taken within thirty days after the date the order was entered and shall be diligently prosecuted.

AUTHORIZATION FOR RECOVERY OF CIVIL DAMAGES

SEC. 213. (a) Any person whose wire or oral communication is intercepted, disclosed, or used in violation of this title shall—

(1) have a civil cause of action against any person who intercepts, discloses, or uses, or procures any other person to intercept, disclose, or use, such communication; and

(2) be entitled to recover from any such person;

(i) actual damages, but not less than liquidated damages computed at the rate of \$100 a day for each day of violation, or \$1,000, whichever is higher;

(ii) punitive damages; and

(iii) a reasonable attorney's fee and other litigation costs reasonably incurred.

(b) Good faith reliance on a court order or legislative authorization shall constitute a complete defense to an action brought under this section.

(c) As used in this section, "person" includes the District of Columbia, and the District of Columbia shall not assert any governmental immunity to avoid liability under this section. Judgment against the District of Columbia shall not constitute a bar to action against any other person.

REPORTS CONCERNING INTERCEPTED WIRE OR ORAL COMMUNICATIONS

SEC. 214. (a) Within thirty days after the expiration of an order or an extension entered under sections 207 and 208 of this title or the denial of an order of approval, the issuing or denying court shall report to the chief judge of the District of Columbia Court of Appeals and the Commissioner of the District of Columbia—

(1) that an order or extension was applied for;

(2) the kind of order or extension applied for;

(3) if the order or extension was granted as applied for, was modified, or was denied;

(4) the period of the interceptions authorized by the order, and the number and duration of any extensions of the order;

(5) the offense specified in the order or application, or extension of an order;

(6) the identity of the applying investigative or law enforcement officer, and agency making the application and the person authorizing the application; and

(7) the character and location of the facilities from which and the place where communications were (and were to be) intercepted.

(b) In January of each year the United States attorney shall report to the Congress of the United States, the chief judge of the District of Columbia Court of Appeals, and the Commissioner of the District of Columbia—

(1) the information required by paragraphs (1) through (7) of subsection (a) of this section with respect to each application for an order or extension made during the immediately preceding calendar year;

(2) a general description of the interceptions made under such order or extension, including,

(i) the approximate character and frequency of incriminating communications intercepted;

(ii) the approximate character and frequency of other communications intercepted;

(iii) the approximate number of persons whose communications were intercepted; and

(iv) the approximate character, amount, and cost of the manpower and other resources used in the interceptions;

(3) the number of arrests resulting from interceptions made under such order or extension;

(4) the offenses for which the arrests were made;

(5) the number of trials resulting from such interceptions;

(6) the number of motions to suppress made with respect to such interceptions;

(7) the number of motions to suppress granted or denied;

(8) the number of convictions resulting from such interceptions;

(9) the offenses for which the convictions were obtained;

(10) a general assessment of the importance of the interceptions; and

(11) for purposes of comparison, the information required by paragraphs (2) through (10) of this subsection with respect to orders and extensions obtained in other preceding calendar years.

(c) In April of each year the Commissioner of the District of Columbia shall make public a complete report concerning the number of applications for orders authorizing or approving the interception of wire or oral communications and the number of orders and extensions granted or denied during the immediately preceding calendar year. Such report shall contain a summary and analysis of the data required to be filed with the Commissioner by subsections (a) and (b) of this section. The District of Columbia Council is authorized to issue binding regulations dealing with the content and form of the reports required to be filed under this section.

RELATION TO FEDERAL LAW ON WIRE INTERCEPTION AND INTERCEPTION OF ORAL COMMUNICATIONS

SEC. 215. (a) Section 204 of this title shall be subject to the operation of section 2513 of title 18, United States Code.

(b) Sections 202, 203, 205, 211, 213, and 214 of this title shall be construed to supplement and not to supersede or otherwise limit, the provisions of chapter 119 of title 18, United States Code (relating to wire interception and interception of oral communications).

(c) Sections 206, 207, 208, 209, 210, and 212 of this title shall be construed not to supersede or otherwise limit the provisions of said chapter 119 of title 18, United States Code, except in cases of irreconcilable conflict.

TITLE III

SEC. 301. If the provisions of any part of this Act or the application thereof to any person or circumstance be held invalid, the

provisions of the other parts and their application to other persons or circumstances shall not be affected thereby.

Mr. TYDINGS. Mr. President, S. 2869, which is on the calendar this morning, is an important part of the President's crime proposals for the District of Columbia. It is a bill which revises the criminal law and procedure of the District of Columbia. It is a bill on which extensive hearings were held; in which all segments of the law enforcement community, as well as the community of Washington, D.C., testified. It is a bill on which much time was spent with representatives of the Department of Justice in preparation for committee markup.

It is a bill which has received the scrutiny not only of our committee, but of the distinguished Senator from Arkansas (Mr. McCLELLAN), a leading advocate of measures to lower the rate of crime and violence in this country. It has also been the subject of scrutiny by the distinguished senior Senator from Nebraska (Mr. HRUSKA), who has been one of the leading advocates of strong measures to curtail the rising crime rate in this Nation, as well as in the District of Columbia.

When it is passed today, the Senate will have completed action on approximately 90 percent of the President's crime proposals with relationship to the District of Columbia. The only measure recommended by the President which we will not have acted on is the measure providing a new juvenile code for the District, and our committee is having a markup session on it a week from next Wednesday. Hopefully, we will have that proposal, as well as some proposals of my own, reported from the District of Columbia Committee in less than 2 weeks.

Yesterday it was agreed, by unanimous consent, that there was to be a colloquy this morning between me, the distinguished Senator from Arkansas (Mr. McCLELLAN), and the distinguished Senator from Nebraska (Mr. HRUSKA), with respect to certain amendments to and questions regarding Senate bill 2869.

Mr. HRUSKA. Mr. President, the Senator from Maryland is surely to be congratulated on the expeditious way in which he has processed the bills relating to the control of crime in the District of Columbia. A bill was sent up by the administration which I had the privilege of cosponsoring. This bill was all-encompassing in its nature, including not only a restructuring of the judicial system in the District of Columbia, but also features carried in the present bill relating to crimes and criminal procedures.

It was the opinion of the Senator from Maryland that the administration's bill should be split; that there was enough of the controversial in the bill we are now considering that it might be a deterrent to quick action on the judicial system reorganization. Originally, I felt that this was a mistake in judgment; but, as time went on, I was glad to accept the wisdom of the Senator

from Maryland, and now, in my judgment, it is fully justified. We made haste by going a little bit slower than we would have had we tried to process the whole package in one bill.

The bill, S. 2869, although pertaining to criminal laws was processed in the District of Columbia Committee under the rules of the Senate, and with that I have no quarrel. However, there is an overlapping, as we all recognize, in the judicial system as it is created and administered in the District of Columbia, with the work we perform in the parent Judiciary Committee for the entire judicial system in the country.

There are several provisions of S. 2869 with which the Senator from Arkansas (Mr. McCLELLAN) and the Senator from Nebraska, are troubled. I should like to propose an amendment which would have to do with one of these provisions. The Senator from Arkansas, in due time, will have two or three additional amendments that he would also like to bring up and discuss.

As now drafted, S. 2869 would authorize law-enforcement officers, in carefully defined circumstances in the execution of search warrants, to break and enter buildings and vehicles without a prior announcement of authority and purpose. While I support this aspect of the proposed legislation, I am seriously concerned that as it is presently drafted it does not adequately respond to the legitimate needs of a police officer in the performance of his duties. S. 2869, for example, applies only to the execution of search warrants; it does not deal with arrest situations.

In addition, it narrows existing law by requiring that the police officer secure prior judicial approval before utilizing no-knock authority. Finally, it would apparently restrict an officer's discretion to secure entry without announcement by the use of a trick.

Mr. President, it is not my intention to offer a substitute for the provisions of S. 2869 which would materially vary what I understand to be the present law. The Supreme Court, in its most recent decision in this area, *Sabbath v. United States*, 391 U.S. 585 (1968), explored the law in this area in detail.

I ask unanimous consent that the text of that opinion be printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. HRUSKA. What I have done is to examine this decision and draft substitute language for the provisions of S. 2869 which would permit police officers, in carefully defined circumstances, to act in a manner consistent with the Constitution and yet, where exigent circumstances are present, enter without a prior announcement. (See 112, U. Pa. Law Rev. at 562.)

Mr. President, I send to the desk a copy of my amendment to S. 2869 and ask unanimous consent that it be printed in the RECORD immediately following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 2.)

Mr. HRUSKA. Mr. President, my amendment, in contrast to the provisions of S. 2869, would apply to both arrest and search situations. It would, like present arrest warrant practices, give the law enforcement officers discretion to act either pursuant to a warrant or on reasonable cause. Finally, it would codify each of the exceptions now recognized in this area and provide flexibility for future judicial developments in the law.

I now offer my amendment.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

Mr. HRUSKA. I ask unanimous consent that the reading of the amendment be waived, and that it be considered as having been read. It is being printed at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HRUSKA. The Supreme Court stated in the Sabbath case at page 591:

Exceptions to any possible constitutional rule relating to announcement and entry have been recognized . . . and there is little reason why these limited exceptions might also apply to Section 3109 (which is the statute governing the execution of search warrants) since they existed at common law, of which this statute is a codification.

The exigent circumstances existing at common law include entry without notice when, as stated as early as 1843 in *Aga Kurboolie Mohamed v. Queen* case, 4 Moore P.C. 239, 13 Eng. Rep. 293: First, the officer's identity or purpose is already known to the person on the premises. Other cases have recognized exigent circumstances when, second, such notice would result in the destruction or concealment of the evidence; third, such notice would increase the likelihood of bodily peril to the officer or anyone aiding him; and fourth, the notice would permit the party to be arrested to escape.

EXHIBIT 1

SABBATH v. UNITED STATES—CERTIORARI TO THE U.S. COURT OF APPEALS FOR THE NINTH CIRCUIT

(No. 898. Argued May 2, 1968.—Decided June 3, 1968)

One Jones was apprehended crossing the border from Mexico with cocaine, allegedly given to him by, and to be delivered to, "Johnny" in Los Angeles. Customs officers arranged for Jones to make delivery. Shortly after Jones entered "Johnny's" apartment, customs agents, without a warrant, knocked on the door, waited a few seconds, and, receiving no response, opened the unlocked door and entered. They arrested petitioner, searched the apartment, and found the cocaine and other items. The cocaine was introduced over objection at petitioner's trial for knowingly importing and concealing narcotics, and he was convicted. The Court of Appeals held that the agent did not "break open" the door within the meaning of 18 U.S.C. § 3109, which provides in part that an "officer may break open any outer or inner door or window of a house . . . to execute a search warrant, if, after notice of his authority and purpose, he is refused admittance or when necessary to liberate himself or a person aiding him," and that they were therefore not required to make a

prior announcement of "authority and purpose." Held:

1. The validity of an entry of a federal officer to effect a warrantless arrest "must be tested by criteria identical to those embodied in" 18 U.S.C. § 3109, which deals with an entry to execute a search warrant. *Miller v. United States*, 357 U.S. 301; *Wong Sun v. United States*, 371 U.S. 471. Pp. 588-589.

2. Section 3109, a codification of the common-law rule of announcement, basically proscribes an unannounced intrusion into a dwelling, which includes opening a closed but unlocked door. Pp. 589-591.

3. Whether or not exigent circumstances would excuse compliance with § 3109, here there were none, as the agents had no basis for assuming petitioner was armed or that he might resist arrest, or that Jones was in danger. P. 591.

380 F.2d 108, reversed and remanded.

Murray H. Bring, by appointment of the Court, 390 U.S. 935, argued the cause and filed briefs for petitioner.

John S. Martin, Jr., argued the cause for the United States. On the brief were *Solicitor General Griswold*, *Assistant Attorney General Vinson*, *Beatrice Rosenberg*, and *Kirby W. Patterson*.

MR. JUSTICE MARSHALL delivered the opinion of the Court.

The issue in this case is whether petitioner's arrest was invalid because federal officers opened the closed but unlocked door of petitioner's apartment and entered in order to arrest him without first announcing their identity and purpose. We hold that the method of entry vitiated the arrest and therefore that evidence seized in the subsequent search incident thereto should not have been admitted at petitioner's trial.

On February 19, 1966, one William Jones was detained at the border between California and Mexico by United States customs agents, who found in his possession an ounce of cocaine. After some questioning, Jones told the agents that he had been given the narcotics in Tijuana, Mexico, by a person named "Johnny," whom he had accompanied there from Los Angeles. He said he was to transport the narcotics to "Johnny" in the latter city.

Also found in Jones' possession was a card on which was written the name "Johnny" and a Los Angeles telephone number. On the following day at about 3 p.m., Jones made a call to the telephone number listed on the card; a customs agent dialed the number, and with Jones' permission, listened to the ensuing conversation. A male voice answered the call, and Jones addressed the man as "Johnny." Jones said he was in San Diego, and still had "his thing." The man asked Jones if he had "any trouble getting through the line." Jones replied that he had not. Jones inquired whether "Johnny" planned to remain at home, and upon receiving an affirmative answer, indicated that he was on his way to Los Angeles, and would go to the man's apartment.

At about 7:30 that evening, the customs agents went with Jones to an apartment building in Los Angeles. The agents returned to Jones the cocaine they had seized from him, and placed a small broadcasting device on him. The agents waited outside the building, listening on a receiving apparatus. Jones knocked on the apartment door; a woman answered. Jones asked if "Johnny" was in, and was told to wait a minute. Steps were heard and then a man asked Jones something about "getting through the line." Because of noise from a phonograph in the apartment, reception from the broadcasting device on Jones' person was poor, but agents did hear the word "package."

The customs agents waited outside for five or 10 minutes, and then proceeded to the apartment door. One knocked, waited a few

seconds, and, receiving no response, opened the unlocked door, and entered the apartment with his gun drawn. Other agents followed, at least one of whom also had his gun drawn. They saw petitioner sitting on a couch, in the process of withdrawing his hand from under the adjacent cushion. After placing petitioner under arrest, an agent found the package of cocaine under the cushion, and subsequently other items (e.g., small pieces of tin foil) were found in the apartment; officers testified at trial they were adopted to packaging narcotics.

Petitioner and Jones were indicted for knowingly importing the cocaine into this country and concealing it, in violation of § 2 of the Narcotic Drugs Import and Export Act, as amended, 35 Stat. 614, 21 U.S.C. §§ 173 and 174. Petitioner was tried alone. The narcotics seized at petitioner's apartment were admitted into evidence, over objection. On appeal, following the conviction, the Court of Appeals for the Ninth Circuit ruled that the officers, in effecting entry to petitioner's apartment by opening the closed but unlocked door, did not "break open" the door within the meaning of 18 U.S.C. § 3109 and therefore were not required by that statute to make a prior announcement of "authority and purpose." 380 F.2d 108. We granted certiorari, 389 U.S. 1003 (1967), to consider the somewhat uncomplicated but nonetheless significant issue of whether the agents' entry was consonant with federal law.¹ We hold that it was not, and therefore reverse.

The statute here involved, 18 U.S.C. § 3109,² deals with the entry of federal officers into a dwelling in terms only in regard to the execution of a search warrant. This Court has held, however, that the validity of such an entry of a federal officer to effect an arrest without a warrant "must be tested by criteria identical with those embodied in" that statute. *Miller v. United States*, 357 U.S. 301, 306 (1958); *Wong Sun v. United States*, 371 U.S. 471, 482-484 (1963).³ We therefore agree with the parties and with the court below that we must look to § 3109 as controlling.

In *Miller v. United States*, supra, the common-law background to § 3109 was extensively examined.⁴ The Court there conducted, *id.*, at 313:

¹ The Government contends in this Court that petitioner did not adequately raise at trial the issue of the agents' manner of entry, and therefore that it did not have sufficient opportunity to indicate the full circumstances surrounding the entry and petitioner's arrest. However, petitioner's trial counsel, in the course of objecting, clearly stated there were no facts "sufficient to justify this officer's breaking into" the apartment, and his objection was truncated by a ruling of the trial judge. In any event, the Government met the issue on the merits in the Court of Appeals, and apparently did not there contend the record was inadequate for its resolution; and the Court of Appeals decided the issue on the merits. In these circumstances, we are justified in likewise doing so.

² "The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute a search warrant, if, after notice of his authority and purpose, he is refused admittance or when necessary to liberate himself or a person aiding him in the execution of the warrant."

³ See also, e.g., *Ng Pui Yu v. United States*, 352 F.2d 626, 631 (C.A. 9th Cir. 1965); *Gatlin v. United States*, 117 U.S. App. D.C. 123, 130, 328 F.2d 666, 673 (C.A.D.C. Cir. 1963); *United States v. Cruz*, 265 F. Supp. 15, 21 (W.D. Tex. 1967).

⁴ See also *Ker v. California*, 374 U.S. 23, 47-59 (1963) (opinion of BRENNAN, J.).

"The requirement of prior notice of authority and purpose before forcing entry into a home is deeply rooted in our heritage and should not be given grudging application. Congress, codifying a tradition embedded in Anglo-American law, had declared in § 3109 the reverence of the law for the individual's right of privacy in his house."

It was also noted, *id.*, at 313, n. 12, that another facet of the rule of announcement was, generally, to safeguard officers, who might be mistaken, upon an unannounced intrusion into a home, for someone with no right to be there. See also *McDonald v. United States*, 335 U.S. 451, 460-461 (concurring opinion).

Considering the purposes of § 3109, it would indeed be a "grudging application" to hold, as the Government urges, that the use of "force" is an indispensable element of the statute. To be sure, the statute uses the phrase "break open" and that connotes some use of force. But linguistic analysis seldom is adequate when a statute is designed to incorporate fundamental values and the ongoing development of the common law.⁵ Thus, the California Supreme Court has recently interpreted the common-law rule of announcement codified in a state statute identical in relevant terms to § 3109 to apply to an entry by police through a closed but unlocked door. *People v. Rosales*, 68 Cal. 2d 299, 437 P. 2d 489 (1968). And it has been held that § 3109 applies to entries effected by the use of a passkey,⁶ which requires no more force than does the turning of a door-knob. An unannounced intrusion into a dwelling—what § 3109 basically proscribes—is no less an unannounced intrusion whether officers break down a door, force open a chain lock on a partially open door, open a locked door by use of a passkey, or, as here, open a closed but unlocked door.⁷ The protection afforded by, and the values inherent in, § 3109 must be "governed by something more than the fortuitous circumstances of an unlocked door." *Keiningham v. United States*, 109 U.S. App. D.C. 272, 276, 287 F. 2d 126, 130 (1960).

⁵ While distinctions are obvious, a useful analogy is nonetheless afforded by the common and case law development of the law of burglary: a forcible entry has generally been eliminated as an element of that crime under statutes using the word "break," or similar words. See B. Perkins, *Criminal Law* 149-150 (1957); J. Michael & H. Wechsler, *Criminal Law and Its Administration* 367-382 (1940); Note, *A Rationale of the Law of Burglary*, 51 Col. L. Rev. 1009, 1012-1015 (1951). Commentators on the law of arrest have viewed the development of that body of law as similar. See H. Voorhees, *Law of Arrest* §§ 159, 172-173 (1904); Wilgus, *Arrest Without a Warrant*, 22 Mich. L. Rev. 798, 806 (1924).

"What constitutes 'breaking' seems to be the same as in burglary: lifting a latch, turning a door knob, unhooking a chain or hasp, removing a prop to, or pushing open, a closed door of entrance to the house,—even a closed screen door . . . is a breaking . . ." (Footnotes omitted.) See generally Blakey, *The Rule of Announcement and Unlawful Entry*, 112 U. Pa. L. Rev. 499 (1964).

⁶ See, e.g., *Munoz v. United States*, 325 F. 2d 23, 26 (C.A. 9th Cir. 1963); *United States v. Sims*, 231 F. Supp. 251, 254 (D.C. Md. 1964); cf. *People v. Stephens*, 249 Cal. App. 2d 113, 57 Cal. Rptr. 66 (1967). See also *Ker v. California*, 374 U.S., at 38.

⁷ We do not deal here with entries obtained by ruse, which have been viewed as involving no "breaking." See, e.g., *Smith v. United States*, 357 F. 2d 486, 488 n. 1 (C.A. 5th Cir. 1966); *Leahy v. United States*, 272 F. 2d 487, 489 (C.A. 9th Cir. 1959). See also Wilgus, n. 5, *supra*, at 806.

The Government seeks to invoke an exception to the rule of announcement, contending that the agents' lack of compliance with the statute is excused because an announcement might have endangered the informant Jones or the officers themselves. See, e.g., *Gilbert v. United States*, 366 F. 2d 923, 931 (C.A. 9th Cir. 1966), cert. denied, 388 U.S. 922 (1967); cf. *Ker v. California*, 374 U.S. 23, 39-40 (1963) (opinion of Clark, J.); *id.*, at 47 (opinion of Brennan, J.). However, whether or not "exigent circumstances," *Miller v. United States*, *supra*, at 309, would excuse compliance with § 3109,⁸ this record does not reveal any substantial basis for excusing the failure of the agents here to announce their authority and purpose. The agents had no basis for assuming petitioner was armed or might resist arrest, or that Jones was in any danger. Nor, as to the former, did the agents make any independent investigation of petitioner prior to setting the stage for his arrest with the narcotics in his possession.

The judgment of the Court of Appeals is reversed, and the case is remanded for further proceedings consistent with this opinion.

Reversed and remanded.

MR. JUSTICE BLACK dissents.

EXHIBIT 2

On page 60, line 13, strike out "paragraph".

On page 60, line 14, strike out all through the comma, and insert in lieu thereof, "subsection (c) of section 23-522."

On page 60, line 19, strike out all through the comma, and insert in lieu thereof, "graphs (1), (2), (3), and (5) of section 23-590(c)."

On page 60, line 21, strike out "authority" and insert in lieu thereof, "identity".

On page 61, strike out lines 5 through 25, and insert in lieu thereof the following:

"(c) The application may also contain a request that the search warrant be made executable at any hour of the day or night, upon the ground that there is probable cause to believe that (A) it cannot be executed during the hours of daylight, (B) the property sought will be removed or destroyed if not seized forthwith, or (C) the property sought will not be found except at certain times or in certain circumstances. Any request made pursuant to this subsection must be accompanied and supported by allegations of fact of the kind prescribed by paragraph (3) of subsection (b)."

On page 62, strike out lines 3 through 24, and insert in lieu thereof the following:

"(a) An officer executing a warrant directing a search of a dwelling house, other building, or a vehicle shall, except as provided in section 23-590, give, or make reasonable effort to give, notice of his identity and purpose to an occupant thereof before entering therein."

Paragraph (1) of section 23-561(b), District of Columbia Code, is amended by adding at the end thereof the following: "If the complaint establishes reasonable grounds to believe that one of the conditions set out in paragraphs (1) through (5) of section 23-590(c) will exist at the time and place at which such warrant is to be executed, the warrant may contain a direction that it be executed as provided in subsection (a) of section 23-590."

The analysis of chapter 5 of title 23, Dis-

⁸ Exceptions to any possible constitutional rule relating to announcement and entry have been recognized, see *Ker v. California*, *supra*, at 47 (opinion of Brennan, J.), and there is little reason why those limited exceptions might not also apply to § 3109, since they existed at common law, of which the statute is a codification. See generally Blakey, n. 5, *supra*.

trict of Columbia Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VI—AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"23-590. Authority to break and enter under certain conditions."

Chapter 5 of title 23, District of Columbia Code, is amended by adding at the end thereof the following:

"SUBCHAPTER VI—AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"SEC. 23-590. AUTHORITY TO BREAK AND ENTER UNDER CERTAIN CONDITIONS

"(a) Any officer authorized by law to make arrests, or to execute search warrants, or any person aiding such an officer, may forcibly break and enter any outer or inner door, or window of a dwelling house or other building, or any part thereof, or any vehicle, or anything within such dwelling house, building, or vehicle, or otherwise enter to execute search or arrest warrants, or to make an arrest where authorized by law without a warrant, or where necessary to liberate himself or a person aiding him in the execution of such warrant or in making such arrest.

"(b) Forcible breaking and entry shall not be made until after such officer or person makes an announcement of his identity and purpose and admittance to the dwelling house, building, or vehicle is expressly or impliedly denied or unreasonably delayed.

"(c) An announcement shall not be required prior to such forcible breaking and entry if the warrant expressly authorizes entry without notice, or where such officer or person reasonably believes—

"(1) his identity or purpose is already known to any person in the premises;

"(2) such notice would result in the destruction or concealment of evidence subject to seizure;

"(3) such notice would increase the possibility of bodily peril to such officer, the person aiding him, or a third party;

"(4) such notice would permit the party to be arrested to escape; or

"(5) such notice would otherwise be a useless gesture.

"(d) Whoever, after notice is given under subsection (b), or after entry where such notice is unnecessary under subsection (c), destroys, conceals, disposes of, or endeavors to destroy, conceal, or dispose of, or otherwise prevents or endeavors to prevent the seizure of evidence subject to seizure shall be fined not more than \$5,000 or imprisoned for not more than 5 years, or both.

"(e) As used in this section, 'forcibly break and enter' includes any use of physical force or violence or other unauthorized entry but does not include entry obtained by trick or stratagem.

"(f) With regard to the execution of a warrant directing a search of a person under section 23-524(b), or a warrant directing the arrest of a person under subchapter IV of this chapter, and with regard to an arrest authorized by law without a warrant under subchapter V of this chapter, the notice requirements of this section are applicable only where it is necessary to enter a dwelling house, building, or vehicle to effect such a search or arrest."

Mr. HRUSKA. One of our primary concerns in this field is in the area of enforcing the laws having to do with the control of narcotics, and it is there that we find many situations where these exigent circumstances could arise, and where, in fact, they do arise with regularity. This is my concern and the reason for my amendment.

Mr. TYDINGS. Mr. President, I thank the distinguished Senator from Nebraska. I have reviewed his innovative amendment, and recognize immediately

that parts of it have considerable merit. His objective and my objective—providing all possible assistance to law enforcement officers in their work—are the same. As the Senator knows, also, we held lengthy hearings on this proposal, and heard many differing views.

In the interest, now, of expediting the enactment of this tremendously important crime legislation for the District, I respectfully request that the Senator not press his amendment at this time. Otherwise, it might be necessary that we hold further hearings. I request that he withdraw his amendment and receive my assurances that in the conference between the House of Representatives and the Senate—and there will surely be a conference on this legislation—the amendment will receive most sympathetic treatment so far as I am concerned. There are a number of aspects of the Senator's amendment, as he knows, which I think are highly commendable. But in the interest of the expedition of this legislation, in getting it to the House of Representatives and to final enactment, I ask that the distinguished Senator from Nebraska not press his amendment at this time.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TYDINGS. I am happy to yield.

Mr. HRUSKA. Is it the Senator's position that the bill which we have before us in this respect is narrower than the statute and case law as it exists now, as a result of Sabbath and other court decisions?

Mr. TYDINGS. Certainly S. 2869 is narrower than it would be if the amendment of the distinguished Senator from Nebraska were attached. It is a question of some judgment whether it is narrower, or not, than the present case law and statutory law. So I do not really think I could answer the question directly. But certainly it is narrower than it would be with the Senator's amendment attached.

Mr. HRUSKA. I ask this question so that when the Senator does go to conference and take up this issue with the House, he will have the concerns I have expressed in mind. I consider it very important to ascertain whether or not it would be better policy to widen the present bill—all within constitutional limitations—for the use of this "no knock" procedure, which we feel very strongly should be widened in the interest of effective law enforcement.

Mr. TYDINGS. I certainly will bear that in mind. As I have indicated before to the Senator, both elsewhere and in the colloquy here, our objectives are the same. There is a great deal of merit in substantial parts of his amendment, and under ordinary circumstances I would not ask that you withdraw it. Under the circumstances, however, I do not want to go back and have further hearings, and slow down the progress of this legislation.

Mr. HRUSKA. Mr. President, I am in full sympathy with the Senator's program to expedite matters. The reason for this colloquy is that I do not have the honor of being a member of the District of Columbia Committee.

Mr. TYDINGS. We would be delighted to welcome the Senator at any time.

Mr. HRUSKA. I know of the Senator's experience as a prosecutor and as a person experienced in law enforcement. I have every confidence that he will pursue this point in conference. I shall not be a member of the conference committee. Nevertheless, I am willing to express the confidence I have that the Senator, in those conference meetings, will bring out this point and explore to the utmost what can be done in order that we will have some progress in this direction.

With the assurance given by the Senator from Maryland well in mind, and knowing his integrity to follow through on that basis, Mr. President, I ask unanimous consent that I be permitted to withdraw the amendment which is before the Senate.

The ACTING PRESIDENT pro tempore. The amendment is withdrawn.

Mr. TYDINGS. I thank the distinguished Senator from Nebraska for his cooperation, and not only that, but for his help and counsel during our deliberations from the time we started on the first package—the court reorganization package, the first major part of the President's crime bill. I look forward to his continued counsel on these matters as long as I am on the committee.

Mr. HRUSKA. Our relations have been happy, both professionally and politically, in matters of this kind, and I look forward to continued cooperation when we come to the proposition of considering S. 30, which has to do with organized crime control, and meets many of the same problems considered in the instant bill.

Again I thank the Senator from Maryland.

Mr. TYDINGS. I thank the Senator from Nebraska.

I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, those of us who live in Washington, D.C., are concerned about the relentless increase in the last 2 or 3 years in this city's rate of serious crime. On a number of occasions I have expressed concern on the floor of the Senate about this deplorable situation. Today the Senate will have an opportunity to take action in this regard.

The distinguished senior Senator from Maryland is to be congratulated for the expeditious way in which he has processed the District of Columbia crime proposals. The way his committee reported and the Senate passed the recent court reorganization bill is a testimonial both to his leadership and to the concern of the Senate that something be done to improve the administration of justice in the Nation's Capital.

S. 2869, the pending bill, is a continuation of that effort. It is not a bill with which I am in agreement in each of its provisions, but in general it is a good bill. It represents a delicate balance of many viewpoints. And it is on this basis that I can support it, although I hope it may be strengthened in certain particulars before it is finally enacted. There are certain clarifying amendments, however,

that I would like to offer at this time to the bill.

As the distinguished senior Senator from Maryland will recall, I reported to the Senate on August 11 concerning the results of a survey taken by the staff of the Subcommittee on Criminal Laws and Procedures of the first year's operation of title III of last year's Omnibus Crime Control Act, which deals with electronics surveillance.

As a result of that survey, we learned that a number of telephone companies were sincerely and seriously concerned that, should they cooperate with the Federal law enforcement officers, even though the officers were acting under court order, they might subject themselves to civil or criminal liability under State law.

In enacting title III, it was our intention that good faith cooperation with law enforcement officers would be an absolute defense to civil or criminal liability, State or Federal.

I recognize, however, that the language of title III on this point may be somewhat ambiguous and that the relevant language contained in title II of S. 2869, which we are considering at the moment, suffers a similar ambiguity, no doubt because it was modeled on title III.

Consequently, I should like now to offer an amendment that would make congressional intent, both under title III of last year's act and title II of the pending bill unequivocal: that good faith cooperation by a telephone company or other individual with law enforcement officials would not subject such an individual or company to criminal or civil liability under the Federal or State law, either statutory or decisional. The amendment would also explicitly except such activity from the criminal provisions of title XVIII and S. 2869 and empower a court specifically to authorize and direct telephone companies to cooperate with law enforcement officers.

Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to state the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with. I have stated the general objective of the amendment. And I think the distinguished chairman of the District Committee is familiar with the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment reads as follows:

On page 92, after line 25, add the following:

"AMENDMENTS TO TITLE 18, UNITED STATES CODE

"SEC. 216. (a) Section 2511 (2) (a) of title 18, United States Code, is amended (1) by inserting '(1)' immediately after '(2) (a)'; and (2) by adding at the end thereof the following:

"(ii) It shall not be unlawful under this

chapter for an officer, employee, or agent of any communication common carrier to provide information, facilities, or technical assistance to an investigative or law enforcement officer who, pursuant to this chapter, is authorized to intercept a wire or oral communication."

"(b) Section 2518 (4) of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

"An order authorizing the interception of a wire or oral communication shall, upon request of the applicant, direct that a communication common carrier, landlord, custodian or other person shall furnish the applicant forthwith all information, facilities, and technical assistance necessary to accomplish the interception unobtrusively and with a minimum of interference with the services that such carrier, landlord, custodian, or person is according the person whose communications are to be intercepted. Any communication common carrier landlord, custodian or other person furnishing such facilities or technical assistance shall be compensated therefor by the applicant at the prevailing rates."

"(c) The last sentence of section 2520 of title 18, United States Code, is amended to read as follows: 'A good faith reliance on a court order or legislative authorization shall constitute a complete defense to any civil or criminal action brought under this chapter or under any other law.'"

On page 68, line 25, strike the period and insert in lieu thereof a comma and the following: "or to provide information, facilities, or technical assistance to an investigative or law enforcement officer who, pursuant to this chapter, is authorized to intercept a wire or oral communication."

On page 80, between lines 13 and 14, insert the following new paragraph:

"An order authorizing the interception of a wire or oral communication shall, upon request of the applicant, direct that a communication common carrier, landlord, custodian or other person shall furnish the applicant forthwith all information, facilities, or technical assistance necessary to accomplish the interception unobtrusively and with a minimum of interference with the services that such carrier, landlord, custodian, or person is according the person whose communications are to be intercepted. Any communication common carrier, landlord, custodian or other person furnishing such facilities or technical assistance shall be compensated therefor by the applicant at the prevailing rates."

On page 89, line 8, strike the period and insert in lieu thereof a comma and the following: "or other law."

Mr. TYDINGS. Mr. President, I am familiar with the amendment. I am also familiar with the excellent survey and expertise of the Senator from Arkansas and his very fine subcommittee in this area.

There is no question that the original legislative intent of title III of the Safe Streets Act of last year was to protect telephone companies or other persons who cooperate under court order with law enforcement officials.

Mr. President, I accept the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I thank the distinguished Senator from Maryland. Again I express for the record my appreciation for the valuable assist-

ance he rendered to us last year in the enactment of title III of the Omnibus Crime Control Act.

It would be ridiculous for us to authorize electronic surveillance or wiretapping and then leave exposed to criminal or civil liability those who cooperate in good faith with the officers in carrying out an order of the court to make such surveillance. It is on this basis, therefore, that I think the amendment is proper. I believe it will strengthen the pending bill and also clarify title III of the Omnibus Crime Control and Safe Streets Act of last year.

Mr. President, there are two other short amendments that I would like to offer.

As now drafted, S. 2869 authorizes electronic surveillance in an emergency situation, but requires the officer to secure judicial ratification within 12 hours.

I am concerned that this period of time is not long enough for the officers to complete the necessary paperwork that would be entailed in preparing these applications. My amendment would require the officer to initiate his application for approval within 12 hours, but would allow him to complete it within 72 hours. This would mean that it would be possible for him, for example, to telephone the judge to whom he intended to submit the application within 12 hours and then forward to him the final papers within 72 hours. To do it all within 12 hours might not be convenient. To reach a judge, in that short time, who might not even be available, I believe, places too great a burden on the law enforcement here, which might become quite an obstacle in the execution and administration of this particular provision of the bill.

I can see no harm in giving the officer additional time within which to complete the application of, within 12 hours, the officer making the emergency surveillance contacts a judge and informs him of the action taken and then within 72 hours files his full application.

I would hope that the Senator would accept the amendment. I cannot help believing that if we leave in the 12-hour provision, we might place a barrier here on law enforcement that would in many instances defeat our objective.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HRUSKA. Mr. President, is it not true that with the passage of the law having to do with national holidays, for example, falling on weekends, starting usually at Friday noon or Friday evening at 5 o'clock and lasting until Tuesday morning, the 12-hour rule would certainly immobilize law enforcement during such national holidays, and there are several of them during the course of the year, let alone an ordinary weekend in which 12 hours means nothing.

Mr. McCLELLAN. The Senator is correct. As I have pointed out, on many occasions it is over the holiday weekend when the crimes may be planned and executed. And some provision along the line I am suggesting, in my judgment, is needed here.

I hope the distinguished Senator from Maryland will look with favor upon the amendment.

Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

On page 82, line 7, strike "made" and insert in lieu thereof "initiated".

On page 82, line 9, immediately before "after" insert "and is completed within 72 hours".

(At this point Mr. EAGLETON assumed the chair.)

Mr. TYDINGS. Mr. President, the Senate District Committee was especially concerned that ample safeguards be provided in the case of an officer who is intercepting acts without prior court authority. The Committee was convinced that, in this uniformly urban jurisdiction, a judge could certainly be reached, regardless of the hour or circumstances, within 12 hours.

The amendment would require the officer to initiate his application within 12 hours, but gives him an additional period of time up to a total of 72 hours to complete the paperwork and other processing of the application for an order of approval as such.

As the Presiding Officer knows, from his long experience as an attorney general, in many instances where search warrants are sought, it is necessary, because of the paperwork, to spend many hours, sometimes even days, perfecting the affidavits in such a manner that the commissioner or judge will finally issue the warrant or necessary order.

In my own experience as U.S. attorney, in the prosecution of certain organized crime cases, we spent almost 2 days reworking and bringing in new witnesses for a show-cause proceeding to get a search warrant in connection with gambling raids.

This amendment provides the same initial protection to the public—that the officer must contact the court within 12 hours—but gives him an additional reasonable period of time to complete the paperwork and the application, subject to a judge's approval.

I have no objection to accepting this amendment. I recognize it to be a helpful addition, especially if the affidavits and other documents comprising the application for an order of approval are to provide meaningful protection and assist realistically in court supervision.

Mr. McCLELLAN. I thank the Senator. I have one other amendment, and I have a question or two.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, S. 2869, the bill now under consideration, contains an immunity provision which will be of great aid in enforcing the criminal provisions prohibiting unlawful surveillance. As I am sure the distinguished Senator from Maryland is aware, however, the Committee on the

Judiciary now has under consideration the recommendations of the National Commission on the Reform of Federal Criminal Law. The commission has recommended what is generally regarded as model immunity legislation in this area. With this in mind, I should now like to substitute for the immunity language in S. 2869 language which would make its provisions consistent with the recommendations of the Commission.

I might add, too, Mr. President, that S. 30, a bill dealing with organized crime which has now been reported by the Subcommittee on Criminal Laws and Procedures to the full Judiciary Committee, contains similar language. We hope, as urged by the majority leader, to get this bill reported, to get it on the calendar, and to get action on it before we recess for the holidays, before the end of this session. Nevertheless, I think it would be wise if we could have this language uniform in the District of Columbia bill now. I offer this amendment with that in mind.

I am not condemning the language in the pending measure. The point is that I think it would be well for us to have similar language applicable to the District of Columbia as well as to the rest of the country, if we can do it.

This language is in keeping with the recommendations of the National Commission on Reform of Federal Criminal Law, which has made a very thorough study of the immunity problem. I offer this amendment not in criticism of the language in the bill at present, but with the hope of having a uniform language applicable in both the District of Columbia and the rest of the Nation as well.

I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 72, beginning with line 6, strike out all through line 4 on page 73 and insert in lieu thereof the following:

"Sec. 205. (a) Whenever a witness refuses, on the basis of his privilege against self-incrimination, to testify or provide other information in a proceeding before a court or grand jury in the District of Columbia involving any violation of this title and the person presiding over the proceeding communicates to the witness an order issued under this section, the witness may not refuse to comply with the order on the basis of his privilege against self-incrimination. But no testimony or other information compelled under the order issued under subsection (b) of this section, or any information obtained by the exploitation of such testimony or other information, may be used against the witness in any criminal case, except a prosecution for perjury, giving a false statement, or otherwise failing to comply with the order.

"(b) In the case of any individual who has been or may be called to testify or pro-

vide other information at any proceeding before a court or grand jury in the District of Columbia, the court before which the proceeding is or may be held shall issue, upon the request of the United States attorney, an order requiring such individual to give any testimony or provide any other information which he refuses to give or provide on the basis of his privilege against self-incrimination.

"(c) A United States attorney may, with the approval of the Attorney General or the Deputy Attorney General, or any Assistant Attorney General, designated by the Attorney General, request an order under subsection (b) when in his judgment—

"(1) the testimony or other information from such individual may be necessary to the public interest; and

"(2) such individual has refused or is likely to refuse to testify or provide other information on the basis of his privilege against self-incrimination."

Mr. TYDINGS. Mr. President, in the interest of uniformity in this very complex area of immunity, I am willing to accept the amendment of the Senator from Arkansas.

Mr. McCLELLAN. I appreciate that very much. It is offered without any criticism of the provisions in the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. I appreciate very much the cooperation and the willingness of the distinguished Senator from Maryland in accepting these amendments, which I believe will strengthen the bill. I believe they are in keeping with better practices and procedures.

I have two other items. I should like to discuss these briefly with the distinguished Senator from Maryland.

I do not think an amendment is required if my interpretation of the bill is correct.

I am somewhat concerned that the list of offenses for which wire tapping and electronic surveillance can be employed may be too restrictive. While I recognize, for example, that most robbery, burglary and fencing here in the District does not have organized crime overtones, I know, too, that some do, and I am concerned that the authority we grant to the District of Columbia police be broad enough to allow them to respond to this problem.

Title II would now permit the police to use these investigative techniques in other situations; for example, where grand larceny was involved. Since an offense like grand larceny would be a lesser included offense in most important robbery, burglary, or receiving stolen property cases, would it be improper, in the chairman's view, for members of the robbery squad, for example, to investigate a particular robbery under the aegis of grand larceny under the statute?

Mr. TYDINGS. In response to the distinguished Senator's inquiry, I point out that, on the one hand, the District Committee took cognizance of the fact that most robberies and burglaries in the District—contemptible though they may be—do not involve concert so as to make wiretapping a useful tool for apprehension. On the other hand, it is a fair read-

ing of title II of this bill that whenever there is probable cause as to facts constituting a case of grand larceny, then title II may operate, regardless of what other offense may be apparent and regardless of what the eventual charge might be. Title II of S. 2869 was not meant to give ground to any technical defense, any technical argument, alleging a subterfuge search or interception.

So, in response to the Senator's inquiry, the answer would be that an interception for grand larceny would be sufficient even if the case was otherwise or developed into one of robbery or an offense which was considered or not considered specifically under title II.

Mr. McCLELLAN. Mr. President, with this assurance—that a defendant would not be armed with an argument that a subterfuge search had been illegally undertaken in this sort of situation—I feel that no amendment should be offered. I think that this discussion will be adequate and with this history of our interpretation of these provisions at the time of their enactment in the Senate, no problem should rise.

Next, I would like to ask the distinguished chairman if he could indicate to me the committee's intent in another area. Title II now authorizes a police officer to get an order of approval in an emergency situation for the interception of evidence of an offense other than that contemplated at the time the interception was made. I recognize, of course, that the officer will in all cases have to secure ratification for the emergency search itself, but I am concerned about those situations where he intercepts information that is not at that time intelligible to him and does not become intelligible for some time thereafter, that is, when he overhears it, he does not then see its relevance to another crime. Would it be permissible for him, some months later, when its relevance does become clear, to secure a retroactive authorization at that time for this incidentally intercepted information?

Mr. TYDINGS. The answer to the question of the distinguished Senator is "Yes." As was suggested in the report on this bill, the language of title II is simply designed to make clear that application for approval of intended emergency interceptions must still be initiated within 12 hours, even though, as you suggest, the additional application for approval of an unintended interception may be made later, perhaps several months later—that is, as soon as practicable.

Mr. McCLELLAN. Mr. President, I thank the Senator. I think the court would have a desire and responsibility to ascertain if the officer had acted in good faith all the way through. If so, I think it should be approved retroactively.

Mr. TYDINGS. That was the intent.

Mr. McCLELLAN. Mr. President, again I want to thank the distinguished Senator from Maryland and commend him for his dedication, and for his diligent and hard work in this fight against crime that is prevalent in our country today. The Senator is one of the stalwarts in the battle we are waging. I commend him, and I am proud to support the legislation

his committee has worked out. I hope the amendments I have offered have made some contribution to strengthening the pending bill.

Mr. TYDINGS. I thank the distinguished Senator.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HRUSKA. Mr. President, the events of this morning demonstrate once again that good faith exists and a conscientious effort is being made to advance the legislation which the country desperately needs and particularly in this locality, to combat crime and the growth of crime.

It was my privilege to have been given the opportunity to review in advance the amendments which were offered this morning by the Senator from Arkansas, not on the basis of any superior knowledge but on the basis of the idea that we—the Senator from Maryland, the the Senator from Nebraska—jointly participated in the passage of the omnibus crime control bill last year, and these amendments, in part clarify that law. I find myself in complete accord with the purpose of the amendments, and necessity and desirability for their being considered and enacted today.

I join the Senator from Arkansas in support of the bill as thus amended and I join him in the commendation he extended to the Senator from Maryland for his consistent and persistent efforts to get the legislation to this point.

Mr. TYDINGS. Mr. President, I thank the distinguished Senator from Nebraska and I appreciate the help, cooperation, and counsel that both he and the Senator from Arkansas have extended.

I wish to make one brief report to the Senate with respect to the legislation in connection with the President's program on crime.

In connection with the District of Columbia, we received the court reorganization bill in the Senate on July 11. Hearings were held, there was a committee markup, and the bill was passed by the Senate by September 18. We received the President's public defender bill on July 11, and it was passed by the Senate on November 21. We received the criminal law and procedure recommendation on July 11. Hopefully Senate bill 2869 will be passed in a few minutes on this day, December 5. We received the administration's new juvenile code on September 26, and hopefully it will be passed in less than 2 weeks. We received the bail agency bill on July 11, but on July 3 my bill in that connection had been passed.

We have many narcotics proposals now under consideration in committee. We have a pretrial detention proposal which is now under consideration by the committee.

I wish to stress to the Senate that we have cooperated at each stage with the Department of Justice and the President, and we have made considerable progress.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the na-

ture of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 2869) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TYDINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRAND JURY REPORTS AND TITLE I OF S. 30, THE ORGANIZED CRIME CONTROL ACT OF 1969

Mr. McCLELLAN. Mr. President, on November 20, the Subcommittee on Criminal Laws and Procedures completed its consideration of S. 30, as amended, the Organized Crime Control Act of 1969, and reported the bill favorably to the full Judiciary Committee.

Title I of S. 30, as amended, is based on the recommendations of the President's Commission on Law Enforcement and Administration of Justice, and it promises to strengthen the grand jury as an instrument for the control of organized crime and corruption. Included in the powers of the grand jury under title I is an authorization to issue, under careful safeguards, grand jury reports dealing with, first, governmental misconduct; second, organized crime conditions; and third, proposals for legislative action. Where reports dealing with governmental misconduct are critical of named individuals, elaborate safeguards are provided, including notice, opportunity to present evidence, and judicial review prior to publication. The other types of reports may not be critical of named individuals.

These provisions of S. 30 reflect the law or practice of a number of States, including New York and New Jersey. In this connection, I would like to draw the Senate's attention to a copy of the Union County grand jury report filed on November 24, 1969, which I recently received from the Honorable Walter L. Hetfield, of the Superior Court of New Jersey, Elizabeth, N.J. This grand jury report is a model of the sort of report dealing with organized crime conditions and making legislative recommendations that the provisions of title I envision.

Mr. President, the Union County grand jury investigated an allegation of possible extortion or bribery involving an organized crime figure's infiltration into a legitimate union and the construction business in New Jersey. The grand jury concluded, however, that although the information that came to its attention indicated reprehensible conduct, it did not, under existing New Jersey law, warrant criminal action. The grand jury, therefore, filed its presentment, which drew these facts to the attention of the people of New Jersey and called for remedial legislative action.

Mr. President, opposition has been expressed to the inclusion of the report-writing provisions of title I in S. 30. Fear

has been expressed that Federal grand juries might abuse the power of writing reports. I suggest that this fear is unwarranted and that the sort of responsible report prepared by the Union County grand jury is a case in point to refute that fear. Indeed, we have not gone as far in this area as the law of some States. The report-writing powers of the New Jersey grand juries are broader in certain respects than those which the provisions of title I would accord Federal grand juries. This report, since it identified private individuals, would be improper under title I, but it could have been prepared under title I had it left the private individuals unnamed. What I am suggesting, in short, is that we have taken every precaution in drafting title I fairly to balance the public need for disclosure with the individual's need for anonymity.

Mr. President, if we are serious about organized crime, we must restore to Federal grand juries the power to act against corruption, inefficiency, and the forces of organized crime through its ancient report-writing powers. Restoring to Federal grand juries this power is essential. I can think of no better answer to the fears expressed against the power to write such reports than the comments of Chief Justice Vanderbilt in *In Re Presentment by Camden County Grand Jury*, 10 N.J. 23, 41, 89 A. 2d 416, 434 (1955):

A practice imported here from England three centuries ago as a part of the common law and steadily exercised even since under three successive State constitutions is too firmly entrenched in our jurisprudence to yield to fancied evils.

Mr. President, I ask unanimous consent that the presentment of the Union County grand jury appear in the RECORD immediately following my remarks.

There being no objection, the presentment was ordered to be printed in the RECORD, as follows:

SUPERIOR COURT OF NEW JERSEY, UNION COUNTY LAW DIVISION, CRIMINAL PRESENTMENT NO. P-1 M-68
(In the matter of an investigation of organized crime in Union County, N.J.)
To: The Honorable Walter L. Hetfield, III, assignment judge, Superior Court of New Jersey, Union County.

The Union County Grand Jury, May Stated Session, Panel No. 2, 1968 Term, respectfully submits and presents the following:

Introduction

During the last few months, this Grand Jury has conducted an investigation of the activities of alleged members of organized crime in Union County. Our attention was directed specifically to the conduct of the late Nick Delmore, and his successor, Simone (Samuel) Rizzo De Cavalcante, in the garden apartment construction industry.

Delmore and later De Cavalcante conducted a plumbing and heating contracting business in Kenilworth, New Jersey, under the firm name of Kenworth Corp. With knowledge of the activity in apartment construction in the area they offered their services as "labor consultants" to builders in fear of work stoppage on their projects because of their employment of non-union labor.

The testimony centered around the construction of a 702-unit garden apartment complex in Parsippany, New Jersey, known as Mount Pleasant Village, and built by Riverside Estates, Inc., a New Jersey corporation. Construction began in 1963.

The Grand Jury heard testimony from three of the principals of the corporation, three other builders active in garden apartment construction, and persons connected with the construction of Mount Pleasant Village; both mason contractors, the plumbing and heating contractor, the carpenter, the superintendent of construction for the principals, an officer in the Parsippany Police Department, and the business agent for one of the Unions that had pickets on the line.

Findings

1. The principals first met Delmore at an office party in January, 1963, when Delmore approached the principals and "introduced himself".

2. Delmore indicated to them (a) he was a plumbing and heating contractor, (b) he knew they were about to build in Parsippany, (c) he would like to bid for the plumbing and heating work, and (d) he was a labor consultant, and if any labor problems arose "perhaps he could be of some assistance".

3. The principals contracted out the different stages of construction on the apartments, such as excavation, masonry, carpentry, plumbing, heating, electrical wiring, sheet rocking, etc. Some of the contractors were "union" (employing only union labor) and others were non-union.

4. Construction began a few months later, but a heating contractor other than Kenworth got the job.

5. The picket line, according to the principals, appeared shortly after meeting Delmore.

6. One of the principals (by odd coincidence, the attorneys who formed Kenworth) informed his partners that Delmore was the person who could settle the strike, and the principals met with Delmore at the Kenworth office, where they told Delmore of the picket line. Delmore said he would see what he could do.

7. The picket line disappeared shortly thereafter, and Delmore contacted the principals and advised them the matter had been resolved and that his fee in this matter would be one hundred dollars per unit for each unit, which would have amounted to \$70,200 based on the planned number of units.

8. From that time, and until Delmore's death in early 1964, the principals paid between \$10,000 and \$12,000, always in cash as requested by Delmore. No receipts were obtained or even requested.

9. After Delmore's death, De Cavalcante contacted the principals and requested a meeting, at which meeting De Cavalcante advised them that he was Mr. Delmore's successor, that he had assumed all of Mr. Delmore's business, and that he was aware of the fact that they had arrangements with Mr. Delmore, and that there was money due to Mr. Delmore, and he (De Cavalcante) wanted to collect the money.

10. Thereafter, one of the principals (not the attorney) met with De Cavalcante and a settlement of \$25,000 was agreed upon, which was paid in six payments and, as with Delmore, always in cash and without receipts.

11. Each of the principals contributed equally toward the payments which were made up of personal funds. One principal used the funds he received from the corporation for services rendered as its attorney; another would cash a personal check, made payable to himself or to cash; and another principal would cash the salary checks he received from the corporation.

12. Despite the fact that the principals regarded the payments as legitimate expenses of doing business, they never declared these payments as business expenses or claimed a deduction therefor. To avoid being questioned by the Internal Revenue Service on the cash disbursements, they even went so far as to treat the amounts they paid to Delmore and De Cavalcante as income to themselves and they paid income tax thereon.

13. The corporation was able to complete construction of the 702 units without fear of a picket line and with non-union labor on most of the construction.

14. The cost of construction of a garden apartment unit was approximately \$10,000. By using non-union labor, the principals could save \$2,000 per unit. Thus, by paying Delmore and De Cavalcante \$100 per unit to insure labor peace and by using non-union labor, the principals reduced their cost of construction \$1,900 per unit, or a total of over 1.3 million dollars.

Conclusions

1. The Grand Jury is highly disturbed by the apparent ability and power of reputed members of organized crime to guarantee labor peace and the cooperation of business men in paying tribute to reputed criminals. Such cooperation renders our criminal laws against extortion and bribery of union officials ineffective. The Grand Jury did not vote an indictment under either N.J.S. 2A:105-3 (extortion) or 2A:93-7 (bribery of a labor representative), because there was no proof, as required by the statutes, that the principals were in fear or had received threats, or that Delmore or De Cavalcante was a "duly appointed representative of a labor organization."

2. The Grand Jury regards as disgraceful the Delmore-De Cavalcante masquerade as labor consultants. It is inconceivable that a contractor such as Delmore (and later De Cavalcante), who employed non-union labor, could so represent himself and be accepted as such by the principals of the corporation involved here.

3. The Grand Jury condemns the principals of Riverside Estates, Inc., and others similarly situated, who engage in an unholy alliance with reputed members of organized crime. The principals' behavior is further condemned as being totally selfish and in disregard of the rights of both union and non-union workers. The Grand Jury regrets that our present statutes do not deal forcefully with such unconscionable conduct.

4. The Grand Jury condemns any union leader who permits himself to be dominated by reputed members of organized crime or is willing to cooperate with reputed criminals in victimizing the working members of his union. It would appear that only an internal housecleaning within the ranks of the construction unions can remove the dishonest officials who collaborate with organized crime to barter the rights of members for profit. We know of no legislative action that can take the place of courageous and resolute action on the part of such disadvantaged and disenfranchised union members in order to regain control of their organizations.

Recommendations

The Grand Jury respectfully recommends:

1. That the Assignment Judge of Union County permit copies of the transcript of the hearings to be made available to the Attorney General of New Jersey for presentation of certain matters contained therein to the State-wide Grand Jury.

2. That the Assignment Judge of Union County permit copies of the transcript of the hearings to be made available to the State Commission of Investigation in order that certain matters be explored on a State-wide basis.

3. That the Legislature of the State of New Jersey enact legislation which prohibits the use of personal funds of officers, directors, shareholders or attorneys of a corporation, for corporate expenditures, except as loans that are recited in detail in the corporate records.

4. That the Legislature of the State of New Jersey enact legislation which requires the registration of any person who acts as, or holds himself out to be, a labor relations adviser, mediator or consultant, said legis-

lation also to require the reporting of income thus derived.

5. That copies of this Presentment be forwarded to:

The Governor of the State of New Jersey;
The Attorney General of the State of New Jersey;

The members of the Senate of New Jersey;
The members of the General Assembly of New Jersey;

The Commissioner of Labor of New Jersey;
The Secretary of Labor of the United States;

The United States Attorney General;
The United States Attorney for New Jersey;

United States Senator Clifford P. Case;
United States Senator Harrison A. Williams, Jr.;

Congresswoman Florence Dwyer;
Congressman Cornelius Gallagher;
The State Commission of Investigation of New Jersey;

The Federal Bureau of Investigation;

The Internal Revenue Service;

The National Labor Relations Board;

The A.F. of L.-C.I.O.;

The Building Trades Council; and

The Press.

Dated: November 24, 1969.

LAURIE SALERNO,

Foreman, May Stated Session 1968

Term Grand Jury, Panel No. 2.

Attest:

JEANNE K. SCHER,

Clerk of Grand Jury.

AMERICA'S DRUG ABUSE PROBLEM

Mr. SPONG. Mr. President, this week's Governor's Conference on Narcotics and Drug Abuse should focus national attention on the menacing spread of this problem and, I hope, mark the beginning of a comprehensive effort to eradicate it. Drug abuse is a problem which should concern every American for no community is immune from its corrosive advance.

Only a few years ago, drug traffic was almost exclusively a problem of the innercity. Today, some of the most startling increases in drug arrests are in middle- and upper-middle income suburban areas. Even more disturbing is the growing number of juvenile offenders.

Police records in Fairfax County give some indication of how widespread the problem has become. In 1966, there were 16 arrests for violations of the drug laws. No juveniles were involved. By 1967, the figure had risen to 34 arrests including six juveniles and in 1968 to 86 arrests involving 38 high-school-age youngsters.

Through the first 11 months of this year, there have been 198 drug arrests in Fairfax County, or more than the 3 previous years combined. The number of juveniles arrested was 82 also more than in the 3 previous years.

In the neighboring county of Arlington, the picture is much the same. Drug arrests have increased 700 percent in 2 years—from 29 in 1967 to 201 so far this year. Comparable statistics are reported by some suburban Maryland jurisdictions.

Appalling as they are, these figures reflect only a small part of the illegal drug use—only those who get caught. Informed officials estimate that from 5 to 8 percent of high-school-age young-

sters in some Washington suburbs smoke marihuana on a regular basis. As many as one-half are thought to have tried it at least once.

While marihuana remains the most prevalent drug problem, there is evidence that a growing number of users are graduating to more potent and more dangerous drugs. Heroin, unheard of a few years ago in most suburban areas, is becoming a commonplace. Recently, seven arrests for heroin violations were made in 1 day in Fairfax County and all of the suspects were under age 21. That was a larger number of arrests on heroin charges than the county had experienced in the entire decade before.

Police in another northern Virginia community report they recently arrested a 13-year-old girl who had been a heroin addict for more than a year, presumably without her parents suspecting it.

LSD, which suffered a temporary decline in popularity following a rational educational campaign against its use, is beginning to make a major comeback in parts of the Washington metropolitan area. Other drugs of the speed and barbiturate family are appearing with increasing frequency.

Clearly, this epidemic of drug abuse testifies to the inadequacy of our present drug laws and programs, and perhaps, too, to our understanding of the basic forces at work. We urgently need an all-out law enforcement effort to deal with those who supply these drugs, and we need better treatment, educational and research programs to help those who have been victimized by them. Perhaps most difficult of all, we need to look long and hard at ourselves and our communities and ask why.

TAX REFORM ACT OF 1969

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate the unfinished business which the clerk will state.

The LEGISLATIVE CLERK. H.R. 13270, the Tax Reform Act of 1969.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state it.

Mr. MANSFIELD. Is there a division of time between the distinguished Senator from Minnesota (Mr. MONDALE) and the chairman of the committee, the Senator from Louisiana (Mr. LONG)?

The PRESIDING OFFICER. Pursuant to the previous order, there is. A vote on the amendment will come at 11 o'clock a.m. Pending is the amendment of the Senator from Minnesota (Mr. MONDALE).

Who yields time?

Mr. MONDALE. I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. MONDALE. Mr. President, the amendment sponsored by myself and other Senators is designed to eliminate from the pending tax bill a proposal which we believe would destroy one of the most remarkably creative and unique institutions in American life; namely, the private foundation.

We do not oppose reform. Indeed, we welcome it. We believe that criticism of the private foundation has resulted in several important and long overdue reforms which are imbedded in the tax bill proposals, and which we support.

What we oppose is the wholesale and indiscriminate 40-year death sentence which the Senate committee recommends be adopted. That is what it is.

The private nonoperating foundations would be uniquely singled out—all of them, the good and the bad—and be subject to a host of taxes which would require their discontinuance at the end of 40 years, and to dispose of their assets to charity, which would mean their dissolution. That is what the Finance Committee says is its intention.

After 40 years, a nonoperating foundation could convert to an operating foundation, as in the case of the Red Cross, or it could establish a hospital. But it could not carry on the work for which it was created and continue some of the magnificent work we have seen developed by the grant-making foundations.

It could also become a business corporation, and if it did, repay all tax benefits received during the life of the foundation—which is, in effect, a confiscation of its assets; or it could continue and pay all the income taxes normally assessed upon business corporations, while at the same time remaining subject to all limitations upon foundations.

Mr. President, we have heard the distinguished Senator from Tennessee (Mr. GORE) and the able chairman say, last night, that the effective tax rate would be about 7½ percent. That would be true only if a foundation's entire assets consisted of corporate stock.

Taxes on foundations over 40 years old, under the bill, could include not only effective corporate rates on dividends received from stocks, but also much higher taxes up to 50 percent on other forms of income such as interest on corporate bonds, Treasury bonds, savings accounts, royalties, and all the rest.

In those States where foundations must be set up under trust laws, such as in Pennsylvania, they are treated as individuals and pay income tax rates up to 70 percent. In addition, they would, of course, pay the regular capital gains tax on stocks sold by the foundations. Thus, the effective tax rate in many cases would range upward from the 7½ percent figure cited, to an average of 25 percent, or 30 percent, or even 70 percent.

The net result would be the end of these private foundations. For they would be wiser to do what the committee report advises. That is to use their assets directly for charitable purposes and close up shop.

There are some who believe that these foundation functions should be performed exclusively through government.

I have long been a strong supporter of increased public commitment to the human problems in this country, and continue to be; but I believe in pluralism, and I believe in the private, voluntary effort which helps create competition. It

also creates innovative and extraordinary types of research and effort in all fields of education, health, agricultural research, in every conceivable area—community involvement, and the rest. I hope those interested in the worthy contribution of foundations will review the record. I included a number of examples in my remarks last night.

Out of this dynamic interplay between the public and the private sectors, we have created an approach which is uniquely American which, in my opinion, if destroyed, would rob this country of one of its most dynamic forms of worthwhile institutions.

Mr. President, for these reasons, I hope that our amendment will be adopted and the 40-year proposal deleted from the bill.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield myself 6 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 6 minutes.

Mr. LONG. Mr. President, one thing that I think should be made clear, those of us who favor the 40-year life on the tax-exempt status for private foundations are not opposed to charity as such. As a matter of fact, the basic purpose of this amendment is to encourage private foundations to get their funds out into the midstream of charity where they are really used rather than being held back where charity perhaps only gets the use of the income from the funds.

Peter G. Peterson, Chairman of the Commission on Foundations and Private Philanthropy, who testified at length before the Finance Committee emphasized above everything else the pressing needs of education, medicine and health, arts and science for a substantial increase in funds in the immediate period ahead. In virtually all of these fields his studies indicated that the needs for funds in the period immediately ahead could be expected to grow at a rate substantially in excess of the rate of growth in the gross national product. In fact, 57 percent of the organizations interviewed indicated that by 1975 their organizations would be facing a real budget crisis unless major new sources of funds are developed. Another 26 percent expressed real concern about rising costs and increasing charitable needs. The payout of the funds held by the private foundations is the best way, and perhaps the only real major new source of funds available to the charitable organizations in the period ahead.

Undoubtedly this is why the Peterson Commission recommended to your committee a required payout rule of 6 percent to 8 percent of the value of the assets—substantially over the 5 percent provided by the committee bill. The distribution of funds of the private foundations is another way of achieving much the same results.

There are other aspects of this which also need to be considered. If foundations are permitted a permanent tax-exempt life, their economic power can increase to such an extent that they have an undue influence both on the private economy and on government decisions.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. What would the Senator say about lobbying of foundations with respect to the pending bill?

Mr. LONG. I have heard from the offices of a great number of Senators that they are hearing now from long lost friends—young lawyers who worked here back in the days when they were living on less than \$20,000, many of whom have not been heard from for 10 to 15 years, in the case of senior Senators. They have all returned like distant relatives who show up when grandfather is on his deathbed to see if there is anything there for them. In this case they have returned from all parts of the country to come to Senators' offices.

If a Senator thinks he has had lobbying on this foundation provision, he should have served on the Finance Committee. We have had contacts with the truly first-class people in this country, some people I never thought I would have the privilege of meeting, some of the most powerful and influential people in this country, who had not even deigned to pay attention to the Finance Committee for a great number of years.

Mr. GORE. Perhaps the Senator can give me a little credit for that.

Mr. LONG. I am sure the Senator had a great deal to do with that.

We certainly do not want to eliminate private foundations, but we are concerned if they should grow to such an extent as to completely dominate the economy, both private and governmental. I cannot believe that they should be either the basic formulators or deciders of public policy. I think this should be left to the people and the people's representatives.

Still another aspect of this needs to be considered. Income, estate, and gift tax deductions were granted for amounts given to these foundations on the basis that the funds would be used for educational, charitable, and religious purposes. It seems reasonable that after at least a 40-year period, the donated funds themselves should actually be used for these purposes rather than merely the income from the funds being used for educational, charitable, or religious purposes. Since the income itself is exempt from taxation in the hands of the foundation, the expenditure of the income really only satisfies the obligations associated with the income tax exemption of the foundation. There still remains to be satisfied the obligation of using the capital donated to the foundation for charitable purposes, since charitable contributions deductions were available for these funds.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 3 additional minutes.

As we indicated in the debate last night, even the penalty, if you want to call it that, imposed on these foundations at the end of the 40-year period is not severe. Actually, in the case of a foundation receiving most, or all, of its income from dividends, all we are requiring is the payment of approximately

7½-percent tax—in other words, no more even in this case than the House bill would have provided for private foundations generally, when the bill is fully effective.

Let me show you how this works. The foundations are subject to tax under this bill, the same as ordinary corporations, and an ordinary corporation receiving a dividend from another corporation is entitled to an 85-percent dividends-received deduction. In other words, it is subject to tax on only 15 percent of its dividend income at a tax rate of 50 percent on 15 percent of its income, which equals 7½ percent. Senators will recall that this is the tax that the House bill was going to impose on foundations, generally, and impose it right now, not 40 years from now. I just do not see how anyone can say under these circumstances that we are imposing a death penalty on private foundations. That certainly was not said about the House bill, and we are doing no more to the private foundations even after they have been in existence for 40 years than the House bill would have done right away.

So I submit that, as a practical matter, the Senate Finance Committee has been most generous to foundations. We have moderated, moderated, and moderated until there is practically nothing in it that affects foundations in a real way except to require, as the House provided in one of its provisions, that there be some payout, and even that is phased in.

If the Senate wants to strike this provision from the bill, I would think that all that could be said would be that whereas the House acted in a very effective way, the Senate, as a result of pressure being put on some of us with regard to the foundations, whittled away the overwhelming bulk of what the House of Representatives had done. Had the House prevailed—as it did in supporting its Ways and Means Committee—it would have meant the passage of a bill which would have acted effectively in what is clearly one of the biggest fields of tax avoidance—and in some respects involves some of the most unjustifiable tax avoidance that can be seen.

Make no mistake about it, this rollcall will be regarded by many as a vote in the Senate by Senators who wanted to do something about the abuses in the foundation field and by Senators who wanted the abuses to continue without taking a close look at them.

I think we are going to act eventually in this area, if not now. Those who think more should be done in this field will persist. We will continue to uncover instances of abuse, misuse, and failure to use funds as was intended, and evidence of private greed, instead of charity, in the use of foundation funds. As those indications continue, I suspect that Senators who voted to do so little about the foundation problem will find cause to doubt that their vote was wise under the circumstances.

I believe this vote in the Senate will indicate who of us in the Senate want to move effectively to see to it that those who claim to be in the foundation business for charitable purposes actually have to carry out those kinds of activities

to achieve the tax advantages that Congress have voted for them.

Mr. MONDALE. Mr. President, I yield 2 minutes to the Senator from Nebraska (Mr. CURTIS).

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I ask unanimous consent that I might suggest the absence of a quorum, that a live quorum be called, that it not be charged to either side, and that it not diminish the length of time for this debate.

Mr. LONG. Mr. President, I object. The reason I feel constrained to do so is this. I would probably be glad to yield to the Senator a reasonable amount of time from the time in opposition to the amendment. I fear it might take a considerable time to get a live quorum here. It is all right with me for the Senator to ask for a quorum call, and call it off, after something like 5 minutes, or a reasonable time; but I dislike to consume a great deal of time in opposition to the amendment on a quorum call.

Mr. CURTIS. It is my request that it not be charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. LONG. Then, I will not object. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. LONG. Reserving the right to object, if this request is agreed to, will it prejudice the other agreements that we have? In other words, have specific times been set for later votes?

The PRESIDING OFFICER. Everything will be postponed down the line.

Mr. LONG. Will it postpone the vote at 11 o'clock?

The PRESIDING OFFICER. Yes, it will. If the time is not charged to either side, the time for the vote will be postponed.

Mr. LONG. Then, I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[Roll No. 173]

Byrd, Va.	Hansen	Saxbe
Byrd, W. Va.	Hartke	Smith, Ill.
Cotton	Jordan, Idaho	Talmadge
Curtis	Long	Tydings
Eagleton	Mansfield	Williams, Del.
Gore	Mondale	
Griffin	Pastore	

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HARTFIELD) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Aiken	Gravel	Murphy
Allen	Gurney	Muskie
Allott	Harris	Nelson
Baker	Hart	Packwood
Bayh	Holland	Pearson
Bellmon	Hollings	Pell
Bennett	Hruska	Percy
Bible	Hughes	Protry
Boggs	Inouye	Proxmire
Brooke	Jackson	Randolph
Burdick	Javits	Ribicoff
Cannon	Jordan, N.C.	Russell
Case	Kennedy	Schweiker
Church	Magnuson	Scott
Cooper	Mathias	Smith, Maine
Dodd	McCarthy	Spong
Dole	McClellan	Stennis
Eastland	McGee	Stevens
Ellender	McGovern	Tower
Ervin	McIntyre	Williams, N.J.
Fannin	Metcalf	Yarborough
Fong	Miller	Young, N. Dak.
Fulbright	Montoya	Young, Ohio
Goodell	Moss	

The PRESIDING OFFICER. A quorum is present.

COMMITTEE MEETING DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Communications of the Committee on Commerce be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. MANSFIELD. Mr. President, the unanimous-consent agreement made on yesterday provided that there be a full hour allocated to debate on the pending amendment. I ask how much time remains to both sides.

The PRESIDING OFFICER. The Senator from Minnesota under that proposal would have 23 minutes remaining. The Senator from Louisiana would have 21 minutes remaining.

Mr. MANSFIELD. So we will get to a vote at approximately 20 minutes to 12.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. And time is running.

The PRESIDING OFFICER. Time is running.

The Senator from Minnesota had yielded 3 minutes to the Senator from Nebraska.

Mr. STENNIS. Mr. President, may there be order in the Chamber. The Senator is entitled to be heard.

The PRESIDING OFFICER. There will be order in the Chamber. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, the Finance Committee included a provision in the bill that would end the life of a foundation as such in 40 years. The amendment that I have sponsored, along with the distinguished Senator from Minnesota and others, would strike that out. And it ought to be stricken out.

Let us not permit anyone to persuade us to do otherwise by saying that we must support the committee. This was a photo finish vote in the committee. We started with a proposal to end their lives in 25 years. That went to 30, 35, and finally to 40 years. Then it was done. It was reported in the committee afterward.

When the information was given to the press, the press for the first time was astounded because this was done without any hearings and without any notice. It was just said that, because a few foundations have had some experience or have performed some acts that should not have been performed, all of them should be killed off at the end of 40 years. What kind of justice is that?

Why is the Senate about to go on record as saying that the life of a foundation is 40 years, when in 43 States of the Union a corporation runs in perpetuity? That corporation can be organized for the purpose of selling liquor; it can be a corporation organized for the purpose of conducting a burlesque theater or anything else. It goes on and on. But in the case of a foundation dedicated to doing good, the Senate is asked to kill it at the end of 40 years. It is wrong; it is unfair. It is wrong to punish the good foundations for the offenses of a few. It is unwise to do such things until we have had a year or two of the auditing by the Treasury, until we have had a year or two of reporting under provisions of the amendment adopted the other day.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. May I have 3 additional minutes?

Mr. MONDALE. I would like to yield 3 minutes to the Senator, but there have been so many requests for time that I will yield the Senator 1 additional minute.

Mr. CURTIS. Mr. President, not all foundations are tax shelters. I hold in my hand the account of a foundation, and I know it well—a long list of colleges to which it has given money. It was created by the donor because he did not want his children to inherit more money. Because it has a life and can carry on, it has given to good causes that have saved the Senators' tax money and the tax money of the people they represent two and a half times of the original gift.

There is a good old American custom, and that is that the hearing should pre-

cede the hanging. In this case there never has been a hearing. It is a vicious attack, an unfounded attack, and it should not be done, in the interest of justice.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield myself 3 minutes.

Mr. President, the proposal that the Committee on Finance agreed upon does not put a death sentence on foundations. All this says, as a practical matter, is that they will be paying a 7½-percent tax in 40 years. So 40 years from now they will pay the same tax that the House voted this year. It goes into effect next year.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG. I will yield in a moment. Let me explain.

This provision says that these foundations would be taxed as a corporation after 40 years.

Most of these foundations are holding stock, and when the dividends are declared on the stock they are entitled to corporate dividend deductions, which is an 85-percent deduction; so they only pay a 50-percent tax on the remaining 15 percent. That is how the House arrived at their 7½-percent tax on the foundations, which would start next year.

We hear Senators who are upset shouting about a death sentence when all that is being talked about is mustering up courage to vote the tax on those foundations 40 years from now which the House voted to put on next year.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GORE. To be exact, the House voted to tax foundations 7.5 percent beginning January 1, 1970. What the Senate committee has done is to say that after being in existence 40 years, they can then be taxed as corporations, which presently means not \$7.50, but at a 48-percent rate. It means that out of each \$100 from dividend distribution they would pay \$7.20—not even a current interest rate.

Mr. LONG. The Senator is correct.

What Senators are so upset about is the prospect of the Senate mustering the courage to do something 40 years from now, when most of us will be gone. If any of us are left, it will be thanks to the merciful Creator. If the present youngest Member of this body will be around, he will be a very old man 40 years from now. In the year 2009 we would be doing what the House voted to do next year. That takes a great deal of political courage. [Laughter.]

Mr. CURTIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield myself 5 minutes.

Mr. CURTIS. Let us get it straight. They would pay the same tax as any other corporation. Any other corporation would get an 85-percent dividend credit, and they would pay the same tax.

Also, the entire argument of the distinguished Senator from Tennessee was for the purpose of ending the life of a

foundation. He did not want the hands of a dead man to go on and on and control things.

Mr. LONG. Mr. President, I am willing to yield for a question, but not for a speech against my position, on my time.

Any one of these foundations can put its portfolio into the same kind of assets that most of them are holding now. Half of them were created—in fact, some of the largest were created—just for the purpose of maintaining family control over a corporation after the man who organized the corporation and built it up passed away, so that the family voting control could be maintained. Some of these foundations have not used any of that money to make any worthy contribution to charity, even to this day. This is a case in which corporate stock was placed in a foundation on the theory that it was to go to charity, and in many instances charity has been waiting many years and has not received any benefit as yet.

We tried to do something about that in this bill. But should not there come a day, sometime, when we ask, "What kind of good works has this outfit done? Does it deserve tax exemption in perpetuity? Does it deserve immortality? Has it done the kind of good work that entitles it to a tax-exempt status forever?" If it has not done that, why should it not pay some tax for failing to do the kinds of things we hoped the foundations would do when they were created?

Mr. MONDALE. I yield 3 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, if the whole tradition of charitable foundations is an evil in our American society, we should eliminate it completely. But I am one of those who feel that the inspiration for private giving in America is the very foundation of our democratic process.

In my State we have foundation after foundation that have dedicated requirements, under their charter provisions, that at least one shall give its entire distribution to the United Fund appeal.

With this idea today, that we should treat them as private corporations, what are we doing? We are stifling the one thing that is the nobility of our society, and that is the element of private giving. If we want to get into a dole state, if we want to begin to tax a charitable foundation as we tax any other corporation, then we would be spelling the death knell.

I am not impressed with the argument that 40 years from today I will not be here. But my grandchildren will be here, and the grandchildren of other Senators will be here.

So I say to my colleagues that they should not do this, because it would eliminate the element of private giving in America, and that is the worst thing that could beset this society.

It is becoming bad enough for our universities to receive endowments. For example, I am a trustee of Brown University, and we receive some handsome contributions from the Ford Foundation and other foundations. We have the Rhode Island Charity Foundation, which has to give every nickel of its distribution to the United Fund appeal.

Yes; there have been abuses. But you do not throw out the baby with the wash water, and you do not burn down the barn just to catch one mouse. That is what is being contemplated today. If there are abuses, let us eliminate the abuses.

If their accounts have to be audited and they must pay for it, let them pay for it, but do not crucify them and do not eliminate them, because you will be removing from society a tradition that is noble and fine.

Several Senators addressed the Chair. Mr. LONG. Mr. President, I yield 5 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, my distinguished friend from Rhode Island has waxed warm, but not very factually. What is the record? The record shows that foundations are largely conduits. The testimony before the Committee on Finance showed that almost 94 percent of foundation contributions went to other tax-exempt organizations.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No, please.

Mr. PASTORE. The Senator mentioned my name; he said I was not factual. Why does not the Senator yield?

Mr. GORE. I yield. What facts does the Senator have?

Mr. PASTORE. Does the Senator pretend that he knows the situation in Rhode Island better than I?

Mr. GORE. I pretend to know the situation about foundations better than the Senator.

Mr. PASTORE. But not about Rhode Island foundations.

Mr. GORE. I expect I do.

Mr. PASTORE. I expect you are absolutely wrong. [Laughter.]

Mr. GORE. Let us set a day and find out.

Mr. PASTORE. Do not try to talk for my State; and I shall not talk for your State.

Mr. GORE. We are not, or should not be, talking about Rhode Island or Tennessee. We are talking about tax-exempt privileges for private foundations, not public foundations.

The record shows, according to testimony before the Peterson Commission, that in overwhelming proportions and instances foundations are created for the purpose of tax avoidance, to extend economic benefits to members of the creator's family and to continue family ownership and control of property.

Let us take one of the good ones: Kellogg. It was created approximately 40 years ago for charity. What has happened? The corpus has increased—and here is the report—from \$41 million to \$408 million. Not one dime of this increase has gone to charity; some of the income has. Here is a 168 page report. And what is the purpose? To advertise Kellogg, Kellogg, Kellogg. Can you see it? Kellogg, Kellogg, Kellogg.

It perpetuates and immortalizes the name of the Kellogg family, advertises the Kellogg Co., and brand name of its products and to keep some tax-exempt funds.

Those are some of the facts to which the Senator from Rhode Island did not refer.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No; I do not yield.

Mr. PASTORE. Will the Senator yield?

Mr. GORE. No; I do not yield. I have only 5 minutes.

Mr. President, how long can we permit this to continue? Is 40 years too long? Maybe we should make it 140 years? But the Senator from Minnesota wants to continue it in perpetuity. How long is forever? Every time, or almost every time, a man becomes a millionaire now he begins to look for a tax lawyer to set up a foundation to avoid taxes and to perpetuate family ownership of property.

One of the strangest anomalies in our history is that my liberal friends somehow think this is a liberal cause for which they are fighting. They are fighting for the vested interest of this country, for the vested wealth of this country, to be tied up in perpetuity for the descendants of a few people who have waxed rich—sometimes by chance or inheritance from this society of ours.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. YARBOROUGH. When the foundations are exempt from taxes, who pays the tax to make up for the tax they do not pay?

Mr. GORE. The people the Senator and I represent, who earn wages and salaries.

Mr. President, I have spoken long enough to join the issues of this matter. What the committee has done has been to provide some reasonable time limitation on tax exemption. I think it should have been shorter than 40 years. Our successors can devise a formula through which the good can emerge, but unless we have some plan, some formula, some guide, some rule, or some limit, then they can go on ad infinitum, proliferating by the thousands everywhere, to avoid taxes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I yield 2 additional minutes to the Senator.

Mr. President, I would like to ask the Senator a question.

Mr. GORE. I yield.

Mr. LONG. Does the Senator recall when Mr. John D. Rockefeller III was before our committee? I asked Mr. Rockefeller this question: "Mr. Rockefeller, would you agree with me that if one is to have immortality he should earn immortality?"

Mr. Rockefeller's answer was, "Yes."

I agree with that. I hope he had in mind what I had in mind. I think the Rockefeller Foundation has done a lot of good work. Some people were concerned to find the overhead is 18 percent. We thought it would be less; that expenditures for charity and education would be more than 82 percent and the overhead less than 18 percent. But we had accepted it as one of the foundations of this country that has done a great deal of good. Most people would have the view it has been a fine responsible organization and it is one of the ancient foundations of this country, one

of the historic big ones. Mr. John D. Rockefeller III agrees that if one should have immortality he must earn immortality.

The Rockefeller Foundation question will come to us 25 years from now and say, "We want Congress to extend our tax-exempt privileges for another 40 years."

Mr. GORE. Or become a public foundation.

Mr. LONG. Or become a public foundation. But that would create no problem. But I am well aware of some of these foundations. I have been asked to serve as a trustee on some of them where some fellow who never gave the first evidence that he has one drop of human kindness sets it up for tax avoidance, sets it up for his children and grandchildren to use for the economic muscle involved in that money, without giving any of it for charity.

I have heard some persons say that one of these days Congress is going to debate the laws about this and they say, "We better get organized as fast as we can in order to come under any grandfather clause that might be effective at that time." I heard that 20 years ago when I came to Congress.

Mr. GORE. In an off-the-record session, we were told of two foundations. I am not sure that I could verify this, but we heard it. It is certainly possible under the law.

Citizen A created his foundation, foundation A. Citizen B created a foundation, foundation B. I am leaving out the names. The foundations were created for the worthy and charitable purpose of assisting in the education of worthy young men and women. Citizen A, through the funds of his foundation, educated the children of citizen B, and citizen B, through the funds of his foundation, educated the children of citizen A. Funds in both cases were tax exempt, of course.

Mr. LONG. A home-and-home arrangement.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. No; I do not yield just now. The Senator has me worked up. I want to continue. How long does the Senate think this could continue—for 40 years? 140 years? or forever?

We argued here for days about raising the personal exemption for a man's child from \$600 to \$800, and it was, some said, going to bust the budget. But now we come here to give a tax exemption in perpetuity for the rich to invest their wealth in personal foundations, private foundations to avoid taxes and perpetuate their names, perpetuate family ownership in property, whether they are able to manage the business or not, in perpetuity. Bust the budget? Perish the thought.

Mr. PASTORE. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. No; I say to my good friend, because—well, yes, I will yield. [Laughter.]

Mr. PASTORE. All right. Thank you, Senator.

Mr. GORE. I love my friend from Rhode Island.

Mr. PASTORE. Does the Senator want me to get him a drink of water.

Mr. GORE. I love my esteemed friend from Rhode Island. I cannot resist the temptation of being kind.

Mr. PASTORE. Does the Senator want me to fetch him a drink of water?

Mr. GORE. At this time of day, yes. [Laughter.]

Mr. LONG. Let me say to the Senator from Tennessee that I want to have 3 minutes at the end.

Mr. PASTORE. Well, if we must quibble over time—

Mr. LONG. I have only 3 minutes left.

Mr. PASTORE. Yes, but the Senator is all steamed up.

Mr. GORE. I need far more than 3 minutes when I am steamed up.

Mr. LONG. Mr. President, I ask unanimous consent to extend the time to 10 minutes on this amendment, with 5 minutes being allocated to each side.

Mr. MONDALE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Who yields time?

Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. 19 minutes.

Mr. MONDALE. Mr. President, how much time do the proponents of the committee bill have?

The PRESIDING OFFICER. Three minutes.

Mr. MONDALE. Mr. President, I yield 5 minutes to the distinguished Senator from Illinois (Mr. PERCY).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. PERCY. Mr. President, as a cosponsor of the Mondale-Percy-Curtis-Hollings amendment, I very much urge its adoption.

I have had some 15 years of experience working with a number of foundations and I should therefore like to be as objective as I possibly can. I would like to make it clear that there have been abuses by foundations, abuses which have actually been brought about sometimes by lack of surveillance by the Government.

The committee has done a fine job in plugging the loopholes that have been used by some foundations. It has stamped out, with the legislation before us, some of the abuses that have been perpetrated. That is a good thing and all good foundations support what the committee has done in this regard. But if ever I have seen an example where we are trying to kill the goose that lays the golden egg, here is that case. If anyone feels that a university can be set up and say it shall be taxed as a corporation after 40 years, how can it continue to get by on contributions to carry on in the future as it has in the past, and carry on its good work? That would be absolutely impossible.

Mr. President, the tax reform measure, reported by the Finance Committee would impose a 40-year life on private, nonoperating foundations.

In fact, the committee has imposed a death sentence on these foundations. This was done without justification.

Our country today faces a critical challenge in meeting the needs of our so-

ciety. A gap exists between what our needs are and our ability to meet these needs. In the areas of environmental pollution, crime control, drug abuse, health, education, jobs, mass transportation, and other urban and rural ills, we have a gigantic job to do. Hundreds of billions of dollars will be required to even begin to resolve these problems. Government—Federal, State, or local—cannot begin to meet this challenge. Aside from lack of revenue, adequate and skilled personnel will not exist nor frequently will that degree of innovative quality and incentive which are so vital to a dynamic society. Foundations can carry on creative innovative experiments more freely than Government. Greater flexibility can also be exercised in responding to special needs.

Each year some \$16 billion in private wealth is given for charitable purposes. Of this, private foundations give \$1.5 billion or about 7½ percent of their total assets. In comparison to the overall expenditures for our social needs, this sum may seem of only limited importance. Nothing could be further from the truth.

Medical education and research, population studies and family planning, public television, education at all levels, revenue sharing, conservation, scientific breakthroughs, pollution control, family assistance innovations, culture and the arts—these and many other areas of our daily life have been helped or inspired by grants from private foundations. In fact, all of us can think of many major discoveries and achievements that have occurred as a result of foundation grants. Many foundations have had the freedom, courage, independence, foresight, and wisdom to risk funds in innovative and creative ways.

The heart of foundation giving, however, is not generally the glamorous, pioneering variety described above. Instead, grants are made year-in and year-out to the YMCA, Boys Clubs, the Cancer Society, the Girl Scouts, education institutions and hospitals, symphonies, museums, welfare agencies, and the myriad of other institutions which contribute to the development of a better society.

These institutions are not only valuable for the work they do but also in the benefit they and, in turn, society receive through voluntary assistance.

The social costs are rising rapidly. In this service-oriented line of endeavor, personnel costs constitute the major financial burden. The Commission on Foundations and Private Philanthropy under the able direction of Mr. Peter G. Peterson has recently reported that 64 percent of the costs of Chicago charities in 1968, consisted of personnel costs. I am sure charitable institutions in other areas of the country experience similar expenses. Salaries of hospital interns are up 81 percent in the past 5 years. During the same period, nurses salaries are up 50 percent and social and case workers up 42 percent. Due to these and other costs loads upon charitable, cultural, educational, and other institutions, the fees that many agencies have had to charge have arisen or the assistance they have been able to render has declined. But, the

impact would have been far worse if it had not been for the contribution of voluntary assistance which helps to keep these institutions running as do the financial contributions of private foundations.

Projection made by the Peterson Commission show that 50 to 60 million Americans annually engage in full-time or part-time volunteer activity for non-profit institutions. If this assistance were costed out at the low figure of \$3 an hour, the financial burden would be impossible to bear. Even with continued generous contributions by foundations, however, as well as by other traditional means, these institutions could not be able to carry on at their present levels. And, we surely know that Government cannot assume the burden. Federal, State, and local governments are unable to support their present social obligations—let alone take on new ones.

It is essential, then, that we not only preserve private giving, as exemplified by the contributions of private foundations, but seek to encourage greater giving. Why, then, are we seeking to pass a death sentence on private foundations as the committee bill seeks to do? In all honesty I do not know. I suspect, however, that this desire to destroy foundations is due to irritation by many over the wrong doings of a few foundations and bitterness by a few over the progressive activities of a number of foundations. The latter attitude cannot be met undoubtedly without destroying the will and purpose of most foundations. The former, however, has already been taken care of by other provisions in the tax reform bill. A liberal payout of income must be made each year, detailed auditing will be required periodically; partisan political activities or lobbying are to be prohibited; and self-dealing, tax avoidance, and anticompetitive practices are prevented.

The 40-year rule does nothing to correct abuses; it only destroys valuable institutions—after reforms have been instituted. This makes no sense at all.

Foundations are created for many reasons; the desire to perpetuate a name, an interest in helping to meet certain categories of social need, an intention to reduce personal administrative inconvenience or to insulate oneself from direct appeals for contributions, and admittedly in many instances to obtain a tax benefit. But, what is wrong with these reasons. In the long run, as well as the short, the public benefits. Not only do we preserve a pluralistic society where social needs are met through private as well as public assistance, but we also continue in operation on innovative and dynamic force which challenges the public sector.

As John Gardner recently warned:

A society that deadens the individual cuts off its own sources of revenue and cements over the seedbed of its future growth.

Mr. President, we must not let this happen. Therefore, I urge the adoption of this amendment which the administration fully endorses.

Mr. MONDALE. Mr. President, I yield 3 minutes to the distinguished Senator from New Hampshire.

The PRESIDING OFFICER. The Sen-

ator from New Hampshire is recognized for 3 minutes.

Mr. COTTON. Mr. President, I believe I can say in 2 minutes what I want to say.

I am in complete accord with the Senator from Rhode Island in every word. The foundations, if they need regulating, should be regulated; and if Internal Revenue does not succeed under its authority in doing that, then I am confident the able gentlemen who are members of the Senate Finance Committee can frame the kind of legislation or create the kind of quasi-judicial body necessary so that any abuses are stopped.

In my State of New Hampshire, like the State of Rhode Island, we have many small foundations, and they are doing excellent work. Every cent is being spent for the purpose of the foundation, and the purpose is not to favor any family or maintain rich men's sons. They are being used to educate poor boys and girls. They are being used in many of the necessary philanthropic activities in our State.

At best, government charity is a pretty cold proposition. In this country, we are fast getting to the point of we are saying, "The Government is my brother's keeper."

I do not care whether we call it making them a corporation or taxing them, or whether we call it putting them to death. This blunderbuss approach of saying "sometime in the future, at such a date," if some Congress is not wise enough to change it and face up to its duty, that foundations shall be ended as foundations, that, in the opinion of this Senator, is wrong.

Therefore, I shall certainly support the amendment because I support it in the name of foundations of which I am familiar in my State, just as the Senator from Rhode Island is familiar with them in his State.

Mr. MONDALE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 2 minutes.

Mr. HOLLINGS. Mr. President, the nobility of giving in America as proposed by my amendment and described so vividly by our distinguished colleague from Rhode Island is the very reason I support it. I think the argument has gotten out of kilter. The Senator from Tennessee has mentioned Kellogg. He contends it has not spent one dime on charitable purposes; that it has built itself up from \$40 million to \$400 million, and spent nothing for charity.

If this were true, it would not qualify as a foundation. To build from \$40 to \$400 million is a successful operation. You can still maintain the corpus and be allocating millions from income—with the corpus growing all the time.

Now, all this talk as between the poor and the rich, and where the taxes will come from—that which is not paid by foundations that it will come from the poor people. It so happens that the experience in South Carolina has been that this money does go to charity, and that it does go to the poor.

The Duke Foundation, for example, gives \$1 for every welfare patient in every hospital, particularly in the rural sections of South Carolina—\$1, whether white or black, and also \$1 for each orphan in the orphanages. Self-foundation; Duke has supported all of the hospitalization, the welfare, and the rural programs in South Carolina.

To quote my distinguished colleague from North Carolina (Mr. JORDAN) you can shear a sheep every year, but you can skin him but once. I am afraid that what we are about to do is skin and ruin the sheep.

Senators talk about foundations that are not supporting charitable endeavors. If they have never paid out funds as charitable foundations, as they should under the law, then they should be removed from their tax-exempt status as provided for by law.

We now are concerned with the abuses which the Senator from Georgia spoke about so vehemently and persuasively yesterday. I support the cures, I want to correct the abuses, but I do not want to give a cure and a death sentence at one time.

Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. MONDALE. Mr. President, I yield myself 5 minutes.

The key issue is whether we wish to destroy one of the most creative and dynamic and unique institutions in American life—the private foundation. If the issue were one of reform, if the issue were one of self-dealing, if the issue were one of public disclosure, I think many of us in this Chamber would agree on the need for those reforms.

As a matter of fact, the tax committee has recommended several reforms which I wholeheartedly endorse—reforms requiring, for example, that 5 percent of the foundation's assets be paid out annually for charitable purposes; reforms that prohibit self-dealing, or control of family corporations, reforms that strictly limit the nature in which corporate donors may use the assets of the corporation for public maneuvering; public disclosure provisions, which we just voted to strengthen only yesterday, reforms that prohibit nepotism and favoritism, reforms that would restrict jeopardizing the foundation's assets or making unproductive use of them.

I stand by those measures because I think reform is needed. I think some of the criticisms against foundations are well taken and that those reforms should take place. I am surprised that we hear so much about abuses in the debate on my amendment because I think the committee has wisely included provisions to deal effectively with that problem.

What we are talking about here is not reform, but a death sentence. This is a proposal to eliminate—not reform—private nonoperating foundations in American life. And, if we eliminate these, why not other tax-exempt organizations?

Is that what the Senate wants? Do we want to support a proposal which would have killed the Rockefeller Foundation

at its 40th year—the foundation which developed miracle varieties of wheat and rice which today offer the only hope of eliminating world starvation? When I am asked if I support the Rockefeller Foundation as a liberal institution, I say "Yes."

Last night we heard complaints about the fact that foundation moneys had been used to make it possible for some poor people to attend the White House Conference on Hunger. I happen to believe that if there is to be a conference on hunger, it is a good idea to have a couple of people on it who have been hungry and know something about it.

The complaints were that tax-exempt foundation money should not be used for that purpose. There were no complaints made against the fact that most of the delegates were corporate officers, corporation presidents, chainstore leaders, processors, and the rest who were taking tax deductions for their expenses. Do not forget that business corporations also have charters that are in perpetuity.

Although reform is needed, I believe the record of the private foundations in this country is such that we ought to support them and stand behind them in their magnificent work. All of us know that many of the creative ideas with which we deal here in Government, which we see in our country, are derived from the splendid work of these worthy foundations.

In health, in education, in the cultural field, in social welfare, in noncommercial television, in adult education, in legal rights for the poor and the consumer, in civil rights, in social sciences, in the national merit scholarship program, in population problems—wherever we look, the cutting edge of the liberal, dynamic thought in this country today is being supported by the private foundation field.

I think anybody who wants to cut off that dynamic and creative and competitive area of life threatens to diminish and reduce the vitality of our Nation.

I am proud, as a liberal Democrat who has stood shoulder to shoulder with the Senator from Tennessee on great humanitarian programs, to stand here as well today and say this is a measure important to the vitality and the objectives of this country that we must further.

Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, the real essence of this debate is that this is not a tax reform question but rather a sociological decision for the Nation. Even at the end of 40 years any one of these foundations can turn its assets over to an operating foundation or charitable foundation and thus pay no tax. So no money is involved. It is not a tax reform to right some inequity. It is just an issue that at the end of 40 years we are going to decapitate any private foundation without any regard to its performance standard. Therefore, it is a sociological decision. There is no method for evaluating the standards by which the foundations would have performed. There is no determination that some foundation

should not exist for even 40 years while others should exist for far longer. Therefore, this would just be a sudden death proposition, no matter how desirable the operations of the foundation were that it had carried on. Therefore, I think we would be carrying out, in this tax reform bill, a major change in American society.

This is why the foundations and the recipients of the foundations' charity have been up in arms. Perhaps someone can analyze for them that no part of the bill is going to trouble him seriously in his lifetime, but they say it is a sentence of death or of disapproval by the Senate of the United States of the whole concept of philanthropic giving. That is what alarms them so much. That is why I criticize it this morning. I regard this as the central, most critical amendment with regard to the foundation that perhaps has faced us in the time we have served.

I thank the Senator for yielding to me. Mr. MONDALE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. MONDALE. I yield 1 minute to the Senator from Oklahoma (Mr. HARRIS).

Mr. HARRIS. Mr. President, I rise in support of the pending amendment. The questions which have been raised here in opposition to the amendment seem to me really irrelevant to the amendment. The Senate Finance Committee, together with the bill which came to us from the House, has already voted rather serious restrictions and limitations on private foundations. It proposes to place a tax on them. It proposes to require rather rigid disclosure rules. It prohibits self-dealing in a great deal of detail. It prohibits political activity. It requires a payment regularly each year of a certain percentage of the foundation's assets. It seems to me those are rather serious steps we are taking.

Then, on top of all that, we come along with what is for those who advocate it from their position actually a meaningless provision saying that 40 years from now, after being on probation, you will be executed. We will have time to do that later on if we want to do so. We have done enough. I think the amendment should be adopted.

Mr. MONDALE. Mr. President, I yield 1 minute to the Senator from Utah (Mr. MOSS).

Mr. MOSS. Mr. President, I rise to support the amendment because I believe it would be intolerable to pass what amounts to a death sentence on our great foundations. I recognize that the foundation method has been used and abused by some who have used it as a tax dodge in various ways. I think we ought to do everything we can to make sure that we do not permit anyone to abuse the immunity from taxes given to the foundations, but I say, Mr. President, that the great foundations, those that were spoken of by the Senator from Minnesota, are indeed furnishing leadership in this country that we cannot afford to disperse with, and I therefore support the amendment.

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes remaining.

Mr. LONG. Mr. President, I yield myself 30 seconds.

All this provision of the committee bill says is that these foundations would start paying, 40 years from now, the same tax that the House of Representatives has voted that they would start paying next year. We take 40 years to put on the tax that the House mustered the courage to put on these tax-exempt organizations starting next year.

That is no death sentence. It amounts to a 7½-percent tax. As far as I am concerned, if they could show, 10 years from now—

The PRESIDING OFFICER. The Senator's 30 seconds have expired.

Mr. LONG. I yield myself 30 seconds more. If they could show, 10 years from now, that they had done the kind of work that would justify continued tax exemption, I would be willing to vote to continue their tax-exempt status. But to say that they shall unconditionally enjoy tax exempt status forever is unreasonable, and I am sure the more Senators think about it, the more unreasonable they will see it is.

I yield my remaining time to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee has 1 minute.

Mr. GORE. Mr. President, we have said little about how this provision in the committee bill could act as a brake upon the proliferation of so-called private charitable foundations by the thousands per year. The Treasury cannot even give us a reliable estimate, within 10,000, of how many there are now. One effect of the provision of the Senate bill will be to call a halt to this process, by establishing for private foundations a rule against perpetuity.

This, throughout western history, has been a liberal cause. Yet my liberal friends are worked up by the power of the foundation lobby into thinking that somehow, by fighting for perpetuity for vestment and control of wealth, they are fighting for a liberal cause. Mr. President, they are misled.

The Peterson Commission report, as presented to your committee, showed that the principal reason for setting up foundations is to keep control of a family corporation, tax avoidance through gifts of appreciated property, and perpetuation of the family name.

It is sometimes argued that private foundations are freer to engage in experimental and controversial areas than is the Government. However, the Peterson Commission testimony itself showed that this is not the case. The testimony was that only 12 percent of the foundations had made any gifts at all in the last 3 years that might be considered innovative, experimental, or out of the ordinary. Less than 1 percent had supported any projects that might be considered controversial. Therefore, the foundation claim that they are an innovative force in society is destroyed by the foundations themselves.

The fact that regular corporations are

granted perpetual life is no argument against 40-year rule. Corporations that have perpetual existence are taxed every year. The 40-year rule simply says that private foundations can be tax exempt for 40 years and, for the rest of their perpetual existence, unless an additional provision is enacted, they will be taxable like all other perpetual corporations.

Mr. DOLE. Mr. President, foundation grants play a very significant role in helping Kansas institutions. A cursory check of current activities indicates that the Carnegie Corp. is assisting the University of Kansas in developing its honors program, one that has attracted much national attention. The Ford Foundation and the Carnegie Corp. are providing major aid to both the University of Kansas and Kansas State University in training staff for work in Latin America and the Far East. The Kansas City Association of Trusts and Foundations supports a number of programs at the University of Kansas Medical Center, including significant parts of research activities of the cardiovascular laboratory as well as direct services to handicapped children at the Children's Rehabilitation Unit operated by the University of Kansas Medical School. The Ralph L. Smith Foundation supports a number of important projects at the Menninger Foundation in Topeka and at the Institute of Logopedics at Wichita. The Kenneth A. Spencer Foundation is providing a large part of the cost of the new science building under construction at the University of Kansas—\$2,300,000.

It would be a great loss to the State if the level of foundation support were to be diminished by legislation limiting either the life or the range of action of American foundations.

Mr. MCINTYRE. Mr. President, as a cosponsor of the Mondale-Curtis-Percy-Hollings amendment to eliminate the 40-year "death sentence" rule against private philanthropic foundations, I wish to state briefly my deep views on this question:

First, foundations have historically been and continue to be institutions that operate for the public good. We should be preserving them and encouraging them. But the 40-year rule, together with the proposed new treatment of gifts of appreciated property will ultimately completely eliminate the private philanthropic institution from American life.

Second, the record of foundations in New Hampshire, my home State, suggests how important that loss would be. They have supported public as well as private higher education, at the New Hampshire State University and at Dartmouth College, Hanover, N.H. They have helped to advance the arts. They have assisted general charity by grants to community funds. They have helped responsible State agencies address the problems of drug addiction and rehabilitation.

Third, if there are abuses by a minority of foundations, we should not tolerate them for 40 years. In fact, we do not need to, because the amendment before us will tighten the law and stop the practice of using foundations as tax shelters, instead of as full-time sponsors

of charity. Provisions to limit financial self-dealing, limit stockownership and require prompt, high annual charitable distributions.

Fourth, the 40-year rule undermines our desire for reform. It strikes the good as hard as it hits the bad. Indeed, it has the effect of giving the bad a 40-year reprieve. It also has the effect of demoralizing the responsible, fruitful foundations and their staffs. All of us here know the psychological edge that is lost when the future is foreordained or foreclosed, as would be the case for foundations if this hastily developed proposal becomes law.

For these reasons, I ask every Senator to join me in voting for the Mondale-Curtis amendment, which would delete the 40-year rule ending the tax-exempt status of private foundations.

I ask unanimous consent that a listing of foundation activity in New Hampshire reported to the Internal Revenue Service for the fiscal year 1967 be printed in the RECORD.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

A listing of foundations in New Hampshire reported to IRS for fiscal year 1967

Ford Foundation: University of New Hampshire, Durham.....	\$67,498
Fuller Foundation: Fuller Foundation of New Hampshire.....	50,000
General Foods Fund: Dartmouth College School of Business, Hanover.....	10,000
Gulbenkian Foundation: Dartmouth College, Hanover.....	4,000
Inland Container Corp. Foundation: Cardigan Mountain School, Canaan.....	15,000
Markle (John and Mary R.) Foundation: Dartmouth Medical School, Hanover.....	12,000
Merrill (Charles E.) Trust: Crotchet Mountain Foundation, Manchester.....	15,000
Edward MacDowell Association, Petersborough.....	15,000
New Haven Foundation: Visiting Nurse Association, New Hampshire.....	18,400
New Hampshire Festival of Arts.....	7,000
New Hampshire Symphony Orchestra.....	18,800
New Hampshire Rehabilitation Center.....	8,200
New Hampshire Halfway House.....	8,100
United Fund of New Hampshire.....	65,600
United Fund of New Hampshire.....	16,300
Urban League of New Hampshire.....	13,500
New Hampshire Legal Assistance.....	6,000
Research Corp.: Dartmouth College, Hanover.....	7,000
Rockefeller Foundation: Dartmouth College, Hanover.....	130,000
Sloan (Alfred P.) Foundation: Dartmouth College, Hanover.....	105,065
Spaulding-Potter Charitable Trusts: New Hampshire Commission on the Arts.....	5,000
Walton (Rachel Mellon) Foundation: St. Paul's School, Concord.....	25,000
Total.....	662,463

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Minnesota (Mr. MONDALE). On this

question, the yeas and nays have been ordered, and the clerk will call the roll. The assistant legislative clerk called the roll.

Mr. KENNEDY (when his name was called). Present.

Mr. BYRD of West Virginia (after having voted in the negative). Mr. President, on this vote I have a pair with the senior Senator from Alabama (Mr. SPARKMAN). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. MCCARTHY (after having voted in the negative). Mr. President, on this vote I have a pair with the Senator from California (Mr. CRANSTON). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. SYMINGTON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 69, nays 18, as follows:

[No. 174 Leg.]
YEAS—69

Aiken	Gurney	Nelson
Allen	Hansen	Packwood
Allott	Harris	Pastore
Baker	Hartke	Pearson
Bayh	Holland	Pell
Bellmon	Hollings	Percy
Bible	Hruska	Prouty
Boggs	Hughes	Proxmire
Brooke	Inouye	Randolph
Burdick	Jackson	Ribicoff
Case	Javits	Saxbe
Church	Jordan, N.C.	Schweiker
Cooper	Mansfield	Scott
Cotton	Mathias	Smith, Maine
Curtis	McGee	Smith, Ill.
Dole	McGovern	Spong
Eagleton	McIntyre	Stevens
Ervin	Metcalf	Tower
Fannin	Mondale	Tydings
Fong	Montoya	Williams, N.J.
Goodell	Moss	Yarborough
Gravel	Murphy	Young, N. Dak.
Griffin	Muskie	Young, Ohio

NAYS—18

Bennett	Fulbright	McClellan
Byrd, Va.	Gore	Miller
Cannon	Hart	Russell
Dodd	Jordan, Idaho	Stennis
Eastland	Long	Talmadge
Ellender	Magnuson	Williams, Del.

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Byrd of West Virginia, against.
McCarthy, against.

ANSWERED "PRESENT"—1

Kennedy

NOT VOTING—10

Anderson	Goldwater	Symington
Cook	Hatfield	Thurmond
Cranston	Mundt	
Dominick	Sparkman	

So Mr. MONDALE's amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONDALE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 265

Mr. MANSFIELD. Mr. President, on yesterday we considered the Cannon amendment, amendment No. 265. All time has expired, and I call for a vote now on that amendment.

The PRESIDING OFFICER. The question is on agreeing to the Cannon amendment.

The amendment was rejected.

AMENDMENT NO. 371

The PRESIDING OFFICER. Pursuant to the previous order, the pending business is now amendment No. 371 of the Senator from New York, as modified. The clerk will report.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment, as modified, will be printed in the RECORD.

The amendment, as modified, ordered to be printed in the RECORD, is as follows:

On page 5, line 10, insert the following new subsection:

"(a) PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(1) STATEMENT OF PURPOSE, AND INTENT OF CONGRESS.—The Congress finds that philanthropic and other tax exempt institutions have demonstrated flexibility and innovation in meeting a wide range of human, social, and scientific needs, and that the activities of such institutions should be preserved and encouraged. Therefore, the Congress proposes to encourage and preserve these activities consistent with the concept that tax liability should not be inequitably avoided. In pursuance of this objective, the Congress finds it to be in the public interest to undertake a study of (i) whether the national interest requires philanthropy and similar tax-exempt activity; and (ii) the effect of appropriate provisions of the Federal income tax, gift tax, and estate tax laws on such activity.

"(2) ESTABLISHMENT OF THE PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(A) For the purpose of carrying out the provisions of this Act, there is hereby created a commission to be known as the Presidential Commission on Philanthropic Activities (hereinafter referred to as the "Commission").

"(B) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18

of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

"(3) MEMBERSHIP OF THE COMMISSION.—

"(A) NUMBER AND APPOINTMENT.—The Commission shall be composed of twenty-five members, appointed by the President, without regard to political party affiliation, as follows:

"(i) Two Members from the Senate;

"(ii) Two Members from the House of Representatives;

"(iii) Twenty-one members from outside the Government.

"(B) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(C) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (A) of this paragraph shall not affect his membership upon the Commission.

"(4) ORGANIZATION OF THE COMMISSION.—The Commission shall elect a Chairman and a Vice Chairman from among its members.

"(5) QUORUM.—Thirteen members of the Commission shall constitute a quorum.

"(6) COMPENSATION OF MEMBERS OF THE COMMISSION.—

"(A) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(B) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive \$100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"(7) STAFF OF THE COMMISSION.—The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

"(8) EXPENSES OF THE COMMISSION.—There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this subsection.

"(9) DUTIES OF THE COMMISSION.—

"(A) INVESTIGATIONS, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

"(i) to analyze philanthropic and similar tax-exempt activities to determine whether tax liability is being inequitably avoided;

"(ii) to analyze the Federal income, gift, and estate tax laws to determine whether such laws preserve and encourage philanthropy and other desirable tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided;

"(iii) to analyze those areas of the Tax Reform Act of 1969 referred to it by Congress, to include but not limited to limitations on tax-exempt life, limitation on foundation activities, excess business holdings, and methods of making and disbursing charitable contributions, and to determine whether such provisions preserve and encourage philanthropy and other tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided; and

"(iv) to formulate and make recommendations for administrative and legislative action determined to be necessary and desirable for the best interests of philanthropic activities.

"(B) REPORT.—The Commission shall report to the President and the Congress its

findings and recommendations as soon as practicable and in no event later than June 30, 1971, and may make interim reports. The Commission shall cease to exist sixty days following the submission of its final report.

"(10) POWERS OF THE COMMISSION.—

"(A) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this subparagraph, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena, or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpoenas may be issued over the signature of the Chairman of the Commission, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192-194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

"(B) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman."

Page 24, line 6: Add the following new subsection:

"(b) REVIEW OF AUDIT FEE.—It is the intent of Congress that the audit fee imposed by subsection (a) reasonably approximate the cost associated with the audit contemplated hereby. The Secretary of the Treasury shall regularly review the costs associated with such audit and report and recommend to the Congress the rate of audit fee which shall reasonably approximate the costs of such audit."

Page 148: delete lines 20 through 25, inclusive; pages 149 through 188, inclusive: delete; page 189: lines 1 through 14, inclusive: delete and insert in lieu thereof the following:

"Section 170(b)(1) is amended to read as follows:

"(b) PERCENTAGE LIMITATIONS.—

"(1) INDIVIDUALS.—In the case of an individual, the deduction provided in subsection (a) shall be limited as provided in the succeeding subparagraphs.

"(A) GENERAL RULE.—Any charitable contribution to—

"(i) a church or a convention or association of churches,

"(ii) an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on,

"(iii) an organization the principal purpose or functions of which are the providing of medical or hospital care or medical education or medical research, if the organization is a hospital, or if the organization is a medical research organization directly engaged in the continuous active conduct of medical research in conjunction with a hospital, and during the calendar year in which the contribution is made such organization is committed to spend such contributions for such research before January 1

of the fifth calendar year which begins after the date such contribution is made,

"(iv) an organization which normally receives a substantial part of its support (exclusive of income received in the exercise of performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from the United States or any State or political subdivision thereof or from direct or indirect contributions from the general public, and which is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a college or university which is an organization referred to in clause (ii) of this subparagraph and which is an agency or instrumentality of a State or political subdivision thereof, or which is owned or operated by a State or political subdivision thereof or by an agency or instrumentality of one or more States or political subdivisions.

"(v) a governmental unit referred to in subsection (c) (1).

"(vi) an organization referred to in subsection (c) (2) which normally receives a substantial part of its support (exclusive of income received in the exercise or performance by such organization of its charitable, educational, or other purpose or function constituting the basis for its exemption under section 501(a)) from a governmental unit referred to in subsection (c) (1) or from direct or indirect contributions from the general public,

"(vii) a private foundation described in subparagraph (E), or

"(viii) an organization described in section 509(a) (2) or (3),

shall be allowed to the extent that the aggregate of such contributions does not exceed 50 percent of the taxpayer's contribution base for the taxable year.

"(B) OTHER CONTRIBUTIONS.—Any charitable contribution other than a charitable contribution to which subparagraph (A) applies shall be allowed to the extent that the aggregate of such contributions does not exceed the lesser of—

"(i) 20 percent of the taxpayer's contribution base for the taxable year, or

"(ii) the excess of 50 percent of the taxpayer's contribution base for the taxable year over the amount of charitable contributions allowable under subparagraph (A).

"(C) UNLIMITED DEDUCTION FOR CERTAIN INDIVIDUALS.—Subject to the provisions of subparagraph (D), the limitations in subparagraphs (A) and (B), shall not apply, in the case of an individual for a taxable year beginning before January 1, 1975, if in such taxable year and in 8 of the 10 preceding taxable years, the amount of the charitable contributions, plus the amount of the income tax (determined without regard to chapter 2, relating to tax on self-employment income) paid during such year in respect of such year or preceding taxable years, exceeds the transitional deduction percentage (determined under subparagraph (D)) of the taxpayer's taxable income for such year, computed without regard to—

"(i) this section,

"(ii) section 151 (allowance of deductions for personal exemption), and

"(iii) any net operating loss carryback to the taxable year under section 172.

In lieu of the amount of income tax paid during any such year, there may be substituted for that year the amount of income tax paid in respect of such year, provided that any amount so included in the year in respect of which payment was made shall not be included in any other year.

"(D) PARTIAL REDUCTION OF UNLIMITED DEDUCTION—

"(i) IN GENERAL.—If the limitations in

subsections (b) (1) (A) and (B) do not apply because of the application of subsection (b), (1) (C), the amount otherwise allowable as a deduction under subsection (a) shall be reduced by the amount by which the taxpayer's taxable income computed without regard to this subparagraph is less than the transitional income percentage (determined under subparagraph (C)) of the taxpayer's adjusted gross income. However, in no case shall a taxpayer's deduction under this section be reduced below the amount allowable as a deduction under this section without the applicability of subsection (b) (1) (C).

"(ii) TRANSITIONAL DEDUCTION PERCENTAGE.—For the purposes of applying subsection (b) (1) (C), the term 'transitional deduction percentage' means—

"(a) in the case of a taxable year beginning before 1970, 90 percent and

"(b) in the case of a taxable year beginning in—

1970	80 percent
1971	74 percent
1972	68 percent
1973	62 percent
1974	56 percent.

"(iii) TRANSITIONAL INCOME PERCENTAGE.—For purposes of applying subparagraph (A), the term 'transitional income percentage' means, in the case of a taxable year beginning in—

1970	20 percent
1971	26 percent
1972	32 percent
1973	38 percent
1974	44 percent."

"(E) DENIAL OF DEDUCTION IN CASE OF CERTAIN TRANSFERS IN TRUST.—No deduction shall be allowed under this section for the value of any interest in property transferred after March 9, 1954, to a trust if—

(i) the grantor has a reversionary interest in the corpus or income of that portion of the trust with respect to which a deduction would (but for this subparagraph) be allowable under this section; and

(ii) at the time of the transfer the value of such reversionary interests exceeds 5 percent of the value of the property constituting such portion of the trust.

For purposes of this subparagraph, a power exercisable by the grantor or a nonadverse party (within the meaning of section 672 (b)), or both, to revert in the grantor property or income therefrom shall be treated as a reversionary interest.

Renumber remaining sections and references accordingly.

Mr. LONG. Mr. President, is the Senator willing to agree on a time limitation on his amendment?

Mr. JAVITS. Mr. President, I should like to continue for about 5 minutes first.

The PRESIDING OFFICER. The Senate will be in order. We will not proceed until the Senate is in order.

The Senator may proceed.

Mr. JAVITS. Mr. President, I think the amendment can be very quickly explained and dealt with by the Senate.

The amendment proposes the appointment of a Presidential commission on philanthropy and other tax-exempt activities, to study these matters at a very high level, very much like the Hoover-type commission. It would be subject to confirmation by the Senate and we would turn over to that commission all the remaining major items in respect to charitable foundations which remain in the pending bill. The commission will study these items plus the entire area of philanthropy and other tax-exempt ac-

tivity by June 30, 1971, and advise us authoritatively as to the whole question of our approach as a society to charitable foundations, philanthropic giving and other tax indulgence, and the extent to which it ought to be indulged in under the tax law.

A sheet of paper has been distributed to each Senator. It is headed, "Summary of Javits Philanthropy Amendment." It specifies exactly what would be deleted from the pending bill in the event the amendment is agreed to, and expresses the general commitment which will be made to such a high level Presidential commission in order to determine what ought to be our general policy and our tax policy with respect to those areas of the tax reform bill which deal with foundations and charitable contributions.

We have dealt with two very important aspects of foundation activity. One relates to the life of the foundation, which we have just decided, and the other relates to voter registration drives, which we decided yesterday. What remains for decision now is the whole question of the audit fee tax, which my amendment continues, but explains that it is based upon the actual cost of the audit activity which it is intended to finance. Hence, if we express the intention that private foundations pay an audit fee, and obviously it does not cost that much to administer that intention, Congress should be able to reduce the fee—although my amendment does not introduce automaticity into it but merely provides for a regular review and report by the Secretary of the Treasury regarding the cost of the audit and the amount of revenue being generated by the audit fee.

Mr. CURTIS. Mr. President, will the Senator yield for an inquiry?

Mr. JAVITS. Yes.

Mr. CURTIS. I have every confidence that the audit fee may be changed on the floor of the Senate to a lesser amount.

Mr. JAVITS. I am very glad to hear that. There is much that can be said in favor of that as well as in favor of abolishing it entirely.

Mr. CURTIS. In that case, what is the application of the Senator's amendment?

Mr. JAVITS. The application of my amendment would not stop a reduction in the audit fee.

Mr. CURTIS. What is the application of the Senator's amendment to the 40-year limitation on certain aspects of foundations which was not in the House bill, and now is not in the Senate bill?

Mr. JAVITS. I am most pleased that the Senate rejected that. I therefore have not dealt with the 40-year provision, because it has been dealt with by a separate amendment. I had proposed to deal with it in exactly the same manner, but I struck it out of this amendment because it has already been dealt with.

Mr. CURTIS. One other very important provision in the House bill and in the Senate bill is the requirement that foundations must divest themselves of certain business holdings. This is the one remaining issue that, in my opinion, is very crucial. Is that covered in the Senator's amendment?

Mr. JAVITS. No, it is not. My amendment does not deal with the stockownership limitation. That is shown on the chart, under the line, if the Senator will look at it. I am, however, very much concerned with that provision and the Commission will be studying that.

Mr. CURTIS. In other words, the creation of this committee would not go into that subject?

Mr. JAVITS. The Commission would go into every subject relating to tax exemptions and tax deductions including this question and the entire philanthropy question. The Commission would go into the whole fundamental question of whether foundations, philanthropic giving and other tax-exempt organizations, should be exempt from the taxes and, if so, to what extent. The Commission therefore would cover the whole field.

My amendment does not seek to delete from the bill the provisions with respect to abuses, as it were, and that is one of the things alleged to be an abuse. Therefore, my amendment does not try to take it out of this bill. It leaves the Senate bill as it is. If other Senators wish to amend it, they may, just as two Members have amended other provisions regarding charitable foundations. But I do not actually excise the business holdings limitations from the Senate bill. In other words, a subject need not be excised from the Senate bill in order to have it considered by this high level, or blue ribbon, Presidential Commission. It can be left in the bill and considered, also.

Mr. CURTIS. In the opinion of the junior Senator from Nebraska, this divestiture clause is one of the worst features in the bill. It will promote conglomerates. It will give an opportunity for the raiders to grab up companies. It is put in there without any evidence whatever that it is related to abuses. In fact, in situations where foundations are the sole owners of a business, there can be no self-dealing. It is my hope that if a high-level commission is created, that would be one of the things they would look into.

Mr. JAVITS. It is exactly one of the things the Commission would look into. But I do not excise it from the bill. I leave it there for any Member to strike it out of the bill, if he wishes. That does not change the fact that the Commission will consider it and Congress can act on it. What I actually delete from the bill are the inhibitions on charitable giving.

Mr. CURTIS. This is the worst inhibition possible, because no new foundations will be created. Individuals create foundations by giving that which they have. What is it? All or part of their own business. So the foundation starts out with more than 20 percent. This is the birth control measure to kill foundations.

Mr. JAVITS. I assume that the Senator from Nebraska will, in due course, move to strike it from the bill which I support and my amendment would not inhibit him or change that opportunity in any way. It is just more of a responsibility than I wanted to take on in this amendment. That is the only reason why I omitted it. I do delete, for example, those provisions affecting charitable con-

tributions of appreciated property, the 2-year charitable trust rule; gifts of the use of property; charitable contributions by estates and trusts, charitable remainder trusts, and so forth. These areas are in my judgment vitally important in encouraging charitable giving.

If the Senator feels that this provision—that is, with respect to the amount of stock which a trust or a foundation can own—needs to be excised, he is at perfect liberty. My amendment in no way inhibits him from excising it. But I do affirm that the commission I am proposing would study that question, whether or not it is excised from the bill.

Mr. CURTIS. But after it has become law.

Mr. JAVITS. I will probably vote with the Senator on his amendment, but I am just not including it in mine.

Mr. CURTIS. It is a question whether or not it can be sustained.

Mr. JAVITS. I know that.

Mr. CURTIS. And the reason why it cannot be sustained is that many foundations are not affected by it, and therefore they have shown no particular interest in it.

Mr. RIBICOFF. Mr. President (Mr. GRAVEL in the chair), will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. Mr. President, I think the Senator from New York has proposed a most worthwhile suggestion. There is no question in my mind that the Finance Committee, in dealing with foundations, acted hastily and without a thorough study of the problem. The entire problem of foundations is so complicated and so important to the American way of life, in my opinion, that we should have a thorough study.

I should like to ask a question concerning the third item in the Senator's summary. I note that he keeps the one-fifth of 1 percent in the Finance Committee bill. That audit fee was not supposed to be a tax, but the cost of actually auditing foundations. The one-fifth of 1 percent would bring in some \$50 million, and the audit cost would be some \$25 million. It would seem to me that we should not charge a foundation the extra \$25 million, and I wonder if the Senator from New York would accept an amendment to his amendment, to make that one-tenth of 1 percent, which is the actual cost of the audit.

Mr. JAVITS. I value very highly the Senator's feeling about what is the fundamental thrust of this amendment. But I do not deal in any way with the question of the amount. Even if my amendment is adopted, the Senator still could come back, because I do not deal with it, and move to reduce that amount.

All I do is to include a new provision, and I beg the Senator to bear with me on this.

I ask the Senator to look at page 8, line 3, of my amendment. It is amendment No. 371. It reads, "Review of audit fee." I do not delete the audit fee. Therefore, just as with the proposition of the Senator from Nebraska (Mr. CURTIS), any Member would be free to offer his own amendment with respect to the audit fee. The reason why I did not do it is

that I did not want to take on more of a burden than I needed to take on in respect of what I think is a very desirable central proposition—to wit, this Presidential commission.

I do provide under the new paragraph that:

It is the intent of Congress that the audit fee imposed by subsection (a) reasonably approximate the costs associated with the audit contemplated hereby. The Secretary of the Treasury shall regularly review the costs associated with such audit and report and recommend to the Congress the rate of audit fee which shall reasonably approximate the cost of such audit.

Initially I will accept for the moment the committee determination as to the amount of the audit fee. But I would give the Secretary of the Treasury the duty to study this and report to the committee so that it will be regularly apprised of the audit fee's status and make the changes those facts require.

Mr. RIBICOFF. Would it be the Senator's interpretation that his section (b), line 4, would apply to the actual cost of the audit this year, or would the audit be one-fifth of 1 percent?

Mr. JAVITS. No. If the Treasury came in with this estimate, the committee could make such change in the audit fee. I do not think there will be any problem about it. The only thing I did not want to do was to superimpose my judgment as to the amount of that fee on the committee.

Mr. RIBICOFF. Mr. President, I would like to make a parliamentary inquiry as to whether the adoption of the amendment offered by the Senator from New York would foreclose the vote on an amendment to change the present audit fee of one-fifth of 1 percent to one-tenth of 1 percent.

The PRESIDING OFFICER. On page 8?

Mr. RIBICOFF. Page 8 of the Senator's amendment.

Mr. JAVITS. Page 8, line 3.

Mr. RIBICOFF. The question is whether the adoption of the amendment offered by the Senator from New York would foreclose another amendment to be submitted which would change the audit fee from one-fifth of 1 percent to one-tenth of 1 percent.

The PRESIDING OFFICER. It would not preclude amendment of parts of the bill not touched by the pending amendment. The pending amendment itself could also be amended in one more degree.

Mr. JAVITS. Mr. President, as I understand the parliamentary situation, should the Senator desire to submit an amendment to my amendment, his amendment would be voted on first; if he would like that question determined in advance of the determination of this amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. The important point I make is—because I thought the idea of a commission was strong enough to carry itself—I did not desire to load my amendment with substantive things which were not immediately germane to the purpose of the amendment.

The PRESIDING OFFICER. The Chair rules that the adoption of this amendment would not preclude amendment of parts of the bill not touched by this amendment.

Mr. RIBICOFF. Mr. President, a private ad hoc commission, headed by Mr. Peterson of Bell & Howell, made a thorough and constructive study of the problem of foundations. Unfortunately, the report of the Peterson commission came to the Committee on Finance after it had completed its hearings. The members of the Peterson Commission were most constructive in pointing out the strengths and weaknesses, and there are many strengths and weaknesses.

It is my feeling if the Committee on Finance adopted the recommendations of the Peterson committee we would have a better idea as to the position of foundations in America and what they should be in the future. I believe the suggestion of the Senator from New York, which would follow along the lines of the Peterson Commission, would be a contribution to the role of foundations in society.

Mr. JAVITS. I am grateful to the Senator. Some of the major questions which would be considered, aside from the specifics, such as those raised by the Senator regarding the amount of stock ownership or corporate control which could be exercised by the foundation, among other things, would be to analyze all tax exempt activities to determine whether tax liability is being inequitably avoided. For example, what activities should be carried on by foundations and other tax-exempt organizations in order to earn or qualify for tax exemptions? What are the desirable limits for legislative and political activity for tax-exempt organizations? Is it desirable to permit taxes of individuals to be reduced by making gifts to organizations which engage in philanthropy, whether private or otherwise? Should tax-exempt organizations be taxed on unrelated business income? What is the total cost to the Government to provide comparable services compared to the cost of providing these services through a series of tax concessions and what are the relative benefits to society?

These are all profound questions. The whole issue and its desirability has been raised by this endeavor to regulate. So my amendment goes to these fundamental propositions as well as to foundations and their justification. It deals with situations beyond contributions to the foundations by individuals, asking that that whole question be examined with the greatest care before we arrive at the point where we take away some rights of contribution, or which will inhibit contributions very materially, and which have been carried on by givers as one of the noblest activities of our Nation.

It seems to me—and the Senator from Connecticut, who is a member of the Committee, has stated it very eloquently and admirably—that at the very least we should have a deliberate understanding on the highest level. The commission I have in mind would have two Members from the Senate, two Members from the House of Representatives, and 21 members from outside the Government ap-

pointed by the President without regard to political party affiliation, and with regard to the highest talent available in the Nation for such a job. There is no reason why we cannot have the best available brains on this subject. We will have some really authoritative concepts as to whether we are doing the right thing in the entire tax-exempt field as well as whether there is any justification for exemptions for philanthropic contributions.

In closing, I would like to emphasize from the chart which I have submitted to the Senate that even though there are items which I do not ask by my amendment to be deleted they are nonetheless items which the commission will be seized to study and to give us a judgment of what we should do about those issues, which have been brought so sharply into question today. My amendment deletes those inhibitions on giving. It does not deal with all questions of alleged excesses, but leaves them in the bill as they are.

I hope this commission would be seized of the basic sociological questions our country faces with respect to this particular matter.

Mr. President, I wish to ask how many Senators are required to request the yeas and nays.

The PRESIDING OFFICER. Eighteen. Mr. TOWER. Mr. President, will the Senator defer that request?

Mr. JAVITS. Yes.

Mr. TOWER. Mr. President, would the Senator from New York give some consideration to perhaps dividing the amendment and voting separately?

Mr. JAVITS. Very well. The Senator, of course, could bring that about but I think he is very gracious in suggesting it. I would suggest, if the Senator would like a division, that we vote on the commission in one vote and then deal with the question of any changes in the bill in another vote. Would the Senator from Texas think that was fair?

Mr. TOWER. That would be a wise course to pursue.

Mr. JAVITS. Mr. President, I ask unanimous consent that the amendment be divided for the purpose of the vote, so that the vote first occur on the material contained from page 1, line 1, to page 7, line 22, inclusive; and then I ask unanimous consent that the other amendments may be considered en bloc.

The PRESIDING OFFICER. Is there objection to the requests of the Senator from New York?

The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on the first vote only.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, now, with the division which the Senator has brought about on the amendment, for which I am very grateful, we will vote only on the matter of whether a really high level Presidential commission will take a look at the whole philanthropic and tax-exempt field.

What individual Members may wish to do about the individual aspects of the bill, will then be free and open.

I represent to the Senate now that if

the first vote carries, I will withdraw the others, because I think that would be fair and intelligent, because we then would have a commission which would be seized of the whole field, and whatever is taken out of the bill that a Member feels doubtful about would be considered and resolved by the commission so that it will not go down the drain.

I think that is a helpful proposition, that there will be a basket, as it were, so that anything dropped out of the bill that we are doubtful about will be considered by the commission, including the 40-year limitation. There is no reason why it should not consider the question of the life of any foundation and how long it should persist or why there should not be a permanent body which would continually review tax-exempt status which could move to terminate such status.

In common law, as we lawyers know—and most Senators here are lawyers—the rule against perpetuities for noncharitable trusts is, “lives in being, plus 21 years.” There is no limitation on lawyers—the rule against perpetuities for charitable trusts that they may exist forever. There may be something to the argument that foundations should not be in being forever. I said that I do not favor the 40-year proposition because it is arbitrary. There is no basis for 40 years, 30 years, 20 years, or 102 years. That is the fundamental point which the Senator from Connecticut (Mr. RIBICOFF) has highlighted with respect to his proposition, for which I am very grateful to him. We are persuaded in this field, which is critical to the future of the Nation and really without any fundamental fact basis except for the highly commendable Peterson Commission report, that we need a report in the nature of a great national document, which would be the purpose I have in mind in my Presidential commission.

Mr. RIBICOFF. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I cannot be too high in my commendation of Mr. Peterson. He came into the office. I had never met him before. He brought a copy of his report with him. I took it home and read it very carefully. I found that it was really a charter for a very sound program for foundations. While many members of foundations wanted the Peterson Commission to come into existence, the Peterson report was critical of many aspects in the foundation field. The Peterson report did call forth great debate among foundations many of which were unhappy about it. But as I read the Peterson report, I was struck with the fairness of its exposition by Mr. Peterson and the members of his commission in trying to bring sense into the whole field of foundations.

Some of his suggestions, I think, were much better than the suggestions of the committee when it came to reform.

Even those people who do not like foundations, I think could get some comfort out of some of the constructive criticisms and suggestions in the Peterson Commission report.

I am very glad that the Senator from New York has accepted the recommenda-

tions of the Senator from Texas because there is much in the Senator's amendment that I could not agree with, but I do believe that we are in pressing need of a commission, and I would hope that the Senate would adopt the commission concept. It is my understanding that the remainder of the Senator's amendments will be withdrawn—

Mr. JAVITS. That is correct, if the first vote carries, I intend to withdraw the rest.

Mr. PERCY. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. PERCY. I appreciate the Senator presenting the amendments in this way, because it gives a clear-cut opportunity to vote on whether it would be desirable to take a good, hard, high level look at the whole role of philanthropy in American life. I believe that this has been the great value of the Peterson Commission report.

I should like to supplement the comments just made by the Senator from Connecticut by saying that the Peterson report is a great report because of the integrity of its Chairman and every member on the Commission.

Mr. President, I cannot be objective about it, I am afraid, because Mr. Peterson, years ago, came to my attention, and I worked with him intimately for a number of years.

One of the best decisions I ever made in my life was to bring him into the Bell & Howell Co., and then was able to turn over authority and responsibility to him until such time as he could replace me as chief executive officer of that company, which made it possible for me to go into public life.

The way he has gone about this study and the fact that he would not accept any grants from any foundation, or accept any funds from tax-exempt organizations to pay for his work on this commission mean that he would not be under any pressure to be other than objective. This is exemplary conduct. In his testimony before the Senate Finance Committee, he was one of the most perceptive critics of abuses in foundations. In fact, it was his own personal conclusion that it would even be a good thing for foundations to be required to pay out more than the Senate committee has prescribed. In other words, more than 5 percent of the gross assets of foundations. This would give foundations the incentive and the requirement to place their investments in liquid assets that would appreciate or have good income, so that they would not be biting too deeply into assets each year.

It was his feeling that foundations should grow at a 10 percent a year rate, and that the payout should be higher—6 percent, instead of 5 percent.

I believe that creating a Presidential commission would add dignity and importance and certainly give the study of foundations a more thorough opportunity to take a perceptive look at how America is organized. I think this look that the Peterson Commission has given, in the relatively few months it has been established, is probably one of the best jobs done about America since De Toc-

queville came over from France in 1832 and wrote a most perceptive analysis of what makes America what it is.

What I am so afraid of is that we do not appreciate what we have. Any country would give anything to have the attitude toward philanthropy that exists in this country, because it is built on incentives for voluntary association and giving.

I think that is the value the Peterson Commission has rendered to date. It could well be that the Presidential commission will contribute even more to the understanding of what makes America and its people as great a country as they are.

We must make certain we take no action that will destroy what we have taken centuries to build up. I cannot think of anything more valuable as a contribution to this debate, and then to the action of this body, than to adopt the amendment now being offered by the Senator from New York.

Mr. JAVITS. Mr. President, how very kind of the Senator. I am deeply, deeply appreciative to him.

I, too, would like to join my colleagues in commending Mr. Peterson who succeeded our own colleague from Illinois to the presidency of the distinguished Bell & Howell Co., and who has rendered such a very noble public service in making this report.

Mr. TOWER. Mr. President, I should like to add my words of commendation to those which have been voiced here.

It is a splendid idea to establish a commission on philanthropy and other tax-exempt activities. I cannot understand why it has not been done earlier. I really cannot conceive of our attempting to write tax legislation affecting such enterprises without having some kind of thorough study.

I am hopeful that the commission, whenever it is established, will, first, try to determine the difference between those institutions that are generally philanthropic, and second, those which sometimes are a little bit political in character.

We must take a hard look at them. Certainly we should not throw out the baby with the bath. We should not do anything that would inhibit the philanthropy which has distinguished the United States of America for so many years.

I serve on the board of directors of two church-related colleges. They have great difficulties these days competing with well-funded, well-financed State universities. I can see that there will be great difficulties ahead if too many inhibitions are placed on contributions of educational and charitable organizations.

Mr. JAVITS. I thank the Senator from Texas.

I yield now to the Senator from New Jersey (Mr. CASE).

Mr. CASE. Mr. President, I thank the Senator for yielding, and even more for taking this initiative. As a cosponsor of the proposal for the commission, I want to express appreciation also to the perceptive and very wise colleagues who have just spoken in support of the measure. As the Senator from Illinois has

pointed out, and as the Senator from Texas, in his colorful language has pointed out, it deals with a very basic aspect of American life—a unique aspect of American life. Nowhere in the world is charity as we know it the same as it is in America—the role of charity, not just charity in the sense of a dole for the poor or a crust for the fellow who is starving, but charity in the broadest sense of individual initiative for the solution of great problems affecting mankind. For us to deal lightly with a unique American institution which is indigenous to this country and has sprung up, I suggest, from its inner needs, would be utterly unthinkable. I am very happy to stand shoulder to shoulder with the Senator from New York on this matter.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, we should not let this occasion pass, because it happens so seldom on the floor, without noting that when the distinguished Senator from Texas (Mr. Tower) and the distinguished Senator from New York (Mr. JAVITS) join together in enthusiastically supporting this amendment, it is a historic and monumental moment in the history of the Senate. I hope on the other side we can have the same kind of so-called liberal-conservative effort.

Mr. TOWER. Perhaps the Senator did not hear what was described by the distinguished majority leader on the floor of the Senate some time ago as the "Tower-Javits axis."

Mr. JAVITS. Mr. President, I ask unanimous consent that the names of Senators CASE, GOODALL, RUBINOFF, PERCY, TOWER, and HATFIELD be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, if I may have the attention of the Senator from Louisiana (Mr. LONG) for a moment, let me say that I yield to no one in my faith and confidence in and admiration for the committee. One argument which could be made against the amendment, now that it has been stripped down to the bare essential of a commission, would be, What do we need a commission for? We have a great committee that will do it.

There are two answers to that question. One is the unbelievable distraction of all of us and the almost impossibility of being where we are supposed to be, anyway, for something to be gone into in depth and in as contemplative a way as this matter. The second is the enormous amount of pressures Senators are under. We have been tugged and hauled and pulled from pillar to post on this measure.

I am the ranking Republican member of the Joint Economic Committee, which hears the views of some of the most distinguished people not only in the United States but the world. I am devastated that I cannot be there every moment, not only because of what I might learn, but because it is a great pleasure to be there. But I just cannot be there when I should.

The British and Canadians have

adopted the concept of a royal commission appointed by the executive. Sometimes our President does that. But when we appoint something in legislation, then it seems to have a cachet, a quality of standing before the country, that makes us as well as the country sit up and take notice.

This subject is so deep and important that I hope the Senator will understand that in suggesting a commission, it is with knowledge of the power of the committee. I have great admiration for the committee. It is one of the committees, for example, that acts without subcommittees. That is very unusual and very commendable. In the Labor and Public Welfare Committee, on which I serve, that cannot be done. There is just too much work.

I hope the Senator will understand that in proposing the amendment in this way, I am trying to marshal the finest brains, under the best conditions, to give us the benefit of their judgment on really basic social questions which has been raised—quite properly—by this whole body of the United States. We have taken these areas for granted too long—in fact I believe that there has not been a study as comprehensive as this in the 50 years we have had income tax legislation. Now I want to really dig into it, and this is the best way to do it, in my judgment.

Mr. LONG. Mr. President, if the Senator will yield, I was concerned that the amendment as originally offered would have stricken from the bill many provisions that the committee and the staff regarded as some of the most meritorious proposals that both the House and the Senate committee have proposed with regard to abuses in the charitable foundation field. I understand the Senator does not expect to offer that part of the amendment if this part of the amendment is agreed to.

Mr. JAVITS. Yes; I will withdraw it.

Mr. LONG. My thought about the commission the Senator has in mind is that the President can always establish a group to study the matter. We have no objection to his setting up a group to make a study and recommendations in this field, but the Senator from Louisiana has been planning for some time the appointment of a subcommittee of the Finance Committee to make a very thorough study in the foundation area. I would also want that subcommittee to look into other matters involved in the charitable contribution field.

I really have no objection to the President's setting up a commission, but I have some question as to whether we ought to call upon the President to appoint a commission or leave it to his judgment whether he will want to do it.

The Senator does not provide in his amendment for adequate time to use the information that would be required. For example, the commission would report on June 30, 1971, and the information required would be made available in March 1971. That really would not give a commission much time to assemble the information and examine what they were working from.

I wonder what the Senator's reaction to that suggestion is.

Mr. JAVITS. The 1971 date was tied to the idea that I was exercising some provisions from the bill. Then I felt we had to have a fairly early report date because we might want to legislate on some matters which had been taken out of the bill. In the absence of legislation which would delete matters from the bill, I would have no particular objection to proposing a reasonable date, perhaps December 31, 1971, or June 30, 1972.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I think the chairman of the committee has made a very cogent point. In my opinion, the Commission will not be able to have a sufficient amount of facts from which to submit a conclusion until it first obtained an audit by the Treasury Department. The difficulty the Peterson Commission had in assembling its facts and making its conclusions was that nowhere was there information to determine just what the foundations in this country were and where they were, because they were so diffused and so diverse. Neither the Internal Revenue Service nor the Treasury Department had that information.

In order for the Commission to propose a recommendation, I think it would need the first audit by the Treasury Department provided for in the bill to have enough facts from which to draw its own conclusions.

So under those circumstances, it would be advisable for the Senator to modify the date for requiring the committee to report beyond June 30, 1971.

Mr. JAVITS. What would the Senator suggest? Would December 31, 1971, appeal to the Senator?

Mr. RIBICOFF. I think, in all fairness to the Commission, if we are to expect the Commission to do a good job, they would need, in my opinion, until June 30, 1972.

Mr. JAVITS. Would the Senator from Louisiana object if I made that modification?

Mr. LONG. No; I would not object.

Mr. JAVITS. I ask unanimous consent that my amendment be modified, on page 6, line 11, by striking "1971" and inserting in lieu thereof "1972".

Mr. FULBRIGHT. Mr. President, reserving the right to object, I ask the Senator from New York this question: Is it his view that if this amendment were adopted, it would preclude the chairman of the Finance Committee—not legally, of course, but that the spirit of it would preclude him from designating a subcommittee which, with the assistance of the joint committee staff, could go into this matter?

Mr. JAVITS. Not even remotely. Not at all.

Mr. FULBRIGHT. I think the committee staff, and the committee itself, have shown a good deal of interest in this matter. I would not want the Senator's amendment to be considered as saying that the committee itself will not look into it. I think the chairman, as he has already indicated his intention to do, should appoint a subcommittee, and they ought to proceed. Some of these

Presidential committees function properly and some of them are set up only to be a facade, to lend agreement and endorsement to someone's special views. I want it understood that the committee will proceed as the chairman has indicated it would and it ought to proceed.

Mr. JAVITS. Mr. President, I say to my own chairman, first, of course, as I have already stated, there is no preclusion; second, I cannot think of anything that would better stimulate the Commission to more activity than the fact that it would have a Senate subcommittee to test its ideas on.

The Commission will be deeply concerned with the basic social questions of tax exemptions, as I said earlier. I do not know whether the Senator from Arkansas was here at the time.

Mr. FULBRIGHT. Yes, I heard the Senator's statement.

Mr. JAVITS. There are so many basic social questions that most of us do not have time, energy, and disposition adequately to study and yet this is so critically important. The House and Senate have raised the whole issue, and this will give us some kind of a concrete base from which to deal with it.

Mr. FULBRIGHT. I have no objection.

Mr. RIBICOFF. Mr. President, will the Senator yield at that point?

Mr. JAVITS. I yield.

Mr. RIBICOFF. I have listened to the colloquy, and do not see any way in which the matter would be precluded from the work of the Senate Finance Committee or the Joint Committee staff. I agree with the Senator that there is no more knowledgeable and competent staff in Congress than the Joint Committee staff, under the leadership of Dr. Woodworth.

But whatever the Commission would come out with, in my opinion, would still be controversial. There would be many people in favor of their findings, and many against them, and the Finance Committee would still have to pass on legislation that might be needed as a result of the Commission's findings. I foresee the necessity for a great deal of work on the part of the Finance Committee after the Commission would make its findings, because I cannot at all imagine Congress accepting the Commission's findings without working its own will, having hearings, and having a chance to debate its recommendations on this floor and that of the other body.

Mr. JAVITS. I thank my colleague very much.

The PRESIDING OFFICER. The amendment will be modified accordingly.

(The first part of the amendment, as modified, is as follows:)

On page 5, line 10, insert the following new subsection:

"(a) PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—

"(1) STATEMENT OF PURPOSE AND INTENT OF CONGRESS.—The Congress finds that philanthropic and other tax exempt institutions have demonstrated flexibility and innovation in meeting a wide range of human, social, and scientific needs, and that the activities of such institutions should be preserved and encouraged. Therefore, the Congress pro-

poses to encourage and preserve these activities consistent with the concept that tax liability should not be inequitably avoided. In pursuance of this objective, the Congress finds it to be in the public interest to undertake a study of (i) whether the national interest requires philanthropy and similar tax-exempt activity; and (ii) the effect of appropriate provisions of the Federal income tax, gift tax, and estate tax laws on such activity.

"(2) ESTABLISHMENT OF THE PRESIDENTIAL COMMISSION ON PHILANTHROPIC ACTIVITIES.—"

"(A) For the purpose of carrying out the provisions of this Act, there is hereby created a commission to be known as the Presidential Commission on Philanthropic Activities (hereinafter referred to as the "Commission")."

"(B) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99)."

"(3) MEMBERSHIP OF THE COMMISSION.—"

"(A) NUMBER AND APPOINTMENT.—The Commission shall be composed of twenty-five members, appointed by the President, without regard to political party affiliation, as follows:

- "(i) Two Members from the Senate;**
- "(ii) Two Members from the House of Representatives;**
- "(iii) Twenty-one members from outside the Government.**

"(B) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

"(C) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (a) of this paragraph shall not affect his membership upon the Commission.

"(4) ORGANIZATION OF THE COMMISSION.—The Commission shall elect a Chairman and a Vice Chairman from among its members.

"(5) QUORUM.—Thirteen members of the Commission shall constitute a quorum.

"(6) COMPENSATION OF MEMBERS OF THE COMMISSION.—"

"(A) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(B) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive \$100 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"(7) STAFF OF THE COMMISSION.—The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

"(8) EXPENSES OF THE COMMISSION.—There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this subsection.

"(9) DUTIES OF THE COMMISSION.—"

"(A) INVESTIGATIONS, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

"(i) to analyze philanthropic and similar tax exempt activities to determine whether tax liability is being inequitably avoided;

"(ii) to analyze the Federal income, gift, and estate tax laws to determine whether such laws preserve and encourage philanthropy and other desirable tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided;

"(iii) to analyze those areas of the Tax Reform Act of 1969 referred to it by Congress, to include but not limited to limitations on tax-exempt life, limitation on foundation activities, excess business holdings, and methods of making and disbursing charitable contributions, and to determine whether such provisions preserve and encourage philanthropy and other tax-exempt activity consistent with the concept that tax liability should not be inequitably avoided; and

"(iv) to formulate and make recommendations for administrative and legislative action determined to be necessary and desirable for the best interests of philanthropic activities.

"(B) REPORT.—The Commission shall report to the President and the Congress its findings and recommendations as soon as practicable and in no event later than June 30, 1972, and may make interim reports. The Commission shall cease to exist sixty days following the submission of its final report.

"(10) POWERS OF THE COMMISSION.—"

"(A) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this subparagraph, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpoenas may be issued over the signature of the Chairman of the Commission, or such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192-194) shall apply in the case of any failure of any witness to comply with any subpoena or to testify when summoned under authority of this section.

"(B) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman."

Mr. LONG. Mr. President, I am willing to take this amendment, as modified by the Senator, and go to conference with it; and for that reason I do not believe the yeas and nays are necessary. I do not believe there is any objection to the amendment. I ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. JAVITS. Mr. President, if the Senator will yield before he does that, I have the greatest confidence in what has just been stated, and I intend to accept it, but I would like to ask the Senator from Louisiana, in all fairness to me, to tell me whether, if he does take the amend-

ment, it is with the serious purpose of doing his and the conferees' utmost to sustain it in conference; because sometimes we just take something to get rid of it, and that is the end of it.

Mr. RIBICOFF. Mr. President, if the Senator will yield, I know the chairman of our committee, and I can say for him that when the Senator from Louisiana takes an amendment, whether he agrees with it or not, he takes his duties most seriously, and he fights to the utmost extent for the Senate's position. Whether he can prevail or not depends on how the conference develops; but I personally would never question the good faith of our chairman in fighting for a Senate position. If the Senator says he will take it to conference, he will do his utmost to have the Senate position prevail.

Mr. LONG. Mr. President, I would expect to urge the House conferees to accept it. May I say to the Senator from New York that the only reservation I have in mind is that I would hope that, in seeking information, only one information request would be sent to the various people who would be asked to provide information, rather than one for the Senate committee and one for the commission, to avoid a lot of unnecessary paperwork. I know how people become weary and tired and irritated at being asked to fill out several forms, each of which asks for similar information. I hope there would be no overlapping of requests for information. That is the only problem that occurs to me.

Mr. JAVITS. I thank the Senator; and I state, as author of the amendment, so that the legislative history will be clear, that, assuming this becomes a part of the law and that we have such a commission, it is my intent, and I would expect, that the Commission would not originate questionnaires or paperwork. It would call witnesses and hear experts, but essentially it would initiate its request as to the information it felt was required to be gathered by so-called paperwork with either the committee, the Treasury, or whatever other governmental authority was conducting the search for the factual ascertainties which would be required by the commission. I assure the Senator of that, because I fully agree.

Mr. TOWER. Mr. President, I would like to address myself to the problem of what to do about private foundations. I have been concerned, as have many others, about the apparent abuses of trust perpetrated by some of the larger and better known foundations. However, I believe that in the main, private foundations are a very important part of our national fabric and should be encouraged to continue their outstanding work. Indeed, in many instances, private foundations offer for many projects the only alternative to Government financing, which brings with it the inevitable red-tape, funding delays, and sometimes unacceptable control.

There are many reasons that some foundations may choose not to make in any given year a certain amount of disbursements; they may be financial, administrative, or simply that they find a worthwhile project lacking or not yet

mature enough to deserve support. I can see no reason to harshly penalize a legitimate foundation for making a reasonable decision. What we need in the way of regulations in this area is to encourage foundations to make disbursements wherever feasible and encourage them to seek ways to make such disbursements. What we should avoid, and what is encompassed in the proposed bill, is a provision that on a practical basis makes mandatory such disbursements or the facing of great loss of funds through taxation. This could lead to unwise decisions by foundations merely to avoid such tax losses.

What I am suggesting, Mr. President, is a Presidential commission to study the problem. The complexities arise in trying to find a way to prohibit the undesirable activities of the foundations created, while preserving their positive, and innovative activities. This Presidential Commission should follow up on the Peterson report and come up with probable feasible solutions which we in the Congress can then consider in depth.

I would like for this Commission to make an explicit study of the ways to prevent these tax-exempt structures from engaging in political activity of any nature. It is certainly against the public policy of the Nation to allow lobbying in a tax-exempt status. Likewise, other activities that tend to favor one point of view over another, should be curtailed and hopefully eliminated. What we need, in essence, is for the foundations to engage only in truly philanthropic activities and academic responsibilities while staying explicitly neutral in using their powers to influence the activities and structure of the governing process.

I am pleased to join with the distinguished senior Senator from New York in urging adoption of this amendment creating the described Commission. We need more time and information to deal with this complex problem; the exigencies of the present moment simply do not permit this. I might also suggest that the foundations involved might use this extra time to examine their own activities and put their own house in order; this could greatly simplify our job here in Congress.

The PRESIDING OFFICER. Without objection, the order for the yeas and nays is vacated, and the question is on agreeing to the amendment of the Senator from New York (Mr. JAVITS), as modified.

The amendment, as modified, was agreed to.

Mr. JAVITS. I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, I withdraw the remainder of the amendment (No. 371).

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, in line with a commitment made by the leadership, yesterday, I call up amend-

ment No. 315 on behalf of my distinguished colleague, the Senator from Montana (Mr. METCALF).

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from Montana (Mr. METCALF) proposes amendment No. 315, as follows:

On page 189, beginning with line 16, strike out all through line 7, on page 195, insert the following:

"SEC. 211. FARM LOSSES.

"(a) IN GENERAL.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 277 (added by section 121(b)(3) of this Act) the following new section:

"SEC. 278. LIMITATION ON DEDUCTIONS ATTRIBUTABLE TO FARMING.

"(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"(1) the adjusted farm gross income for the taxable year, and

"(2) the higher of—

"(A) the amount of the special deductions (as defined in subsection (d)(3)) allowable for the taxable year, or

"(B) \$15,000 (\$7,500 in the case of a married individual filing a separate return), reduced by the amount by which the taxpayer's adjusted gross income (taxable income in the case of a corporation) for the taxable year attributable to all sources other than the business of farming (determined before the application of this section) exceeds \$15,000 (\$7,500 in the case of a married individual filing a separate return).

"(b) EXCEPTION FOR TAXPAYERS USING CERTAIN ACCOUNTING RULES.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a taxpayer who has filed a statement, which is effective for the taxable year, that—

"(A) he is using, and will use, a method of accounting in computing taxable income from the business of farming which uses inventories in determining income and deductions for the taxable year, and

"(B) he is charging, and will charge, to capital account all expenditures paid or incurred in the business of farming which are properly chargeable to capital account (including such expenditures which the taxpayer may, under this chapter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"(2) TIME, MANNER, AND EFFECT OF STATEMENT.—A statement under paragraph (1) for any taxable year shall be filed within the time prescribed by law (including extensions thereof) for filing the return for such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such statement shall be binding on the taxpayer, and be effective, for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"(3) CHANGE OF METHOD OF ACCOUNTING, ETC.—If, in connection with a statement under paragraph (1), a taxpayer changes his method of accounting in computing taxable income or changes a method of treating expenditures chargeable to capital account, such change shall be treated as having been made with the consent of the Secretary or his delegate and, in the case of a change in method of accounting, shall be treated as a change not initiated by the taxpayer.

"(c) CARRYBACK AND CARRYOVER OF DISALLOWED FARM OPERATING LOSSES.—

"(1) IN GENERAL.—The disallowed farm

operating loss for any taxable year (hereinafter referred to as the "loss year") shall be—

"(A) a disallowed farm operating loss carryback to each of the 3 taxable years preceding the loss year, and

"(B) a disallowed farm operating loss carryover to each of the 5 taxable years following the loss year,

and (subject to the limitations contained in paragraph (2)) shall be allowed as a deduction for such years, under regulations prescribed by the Secretary or his delegate, in a manner consistent with the allowance of the net operating loss deduction under section 172.

"(2) LIMITATIONS.—

"(A) IN GENERAL.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks and carryovers to such taxable year shall not exceed the taxpayers' net farm income for such taxable year.

"(B) CARRYBACKS.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks to such taxable year shall not be allowable to the extent it would increase or produce a net operating loss (as defined in section 172(c)) for such taxable year.

"(3) TREATMENT AS NET OPERATING LOSS CARRYBACK.—Except as provided in regulations prescribed by the Secretary or his delegate, a disallowed farm operating loss carryback shall, for purposes of this title, be treated in the same manner as a net operating loss carryback.

"(d) DEFINITIONS.—For the purposes of this section—

"(1) ADJUSTED FARM GROSS INCOME.—The term "adjusted farm gross income" means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the lower of—

"(A) the amount (if any) by which the recognized gains on sales, exchanges, or involuntary conversions of farm property which, under section 1231(a), are treated as gains from sales or exchanges of capital assets held for more than 6 months exceed the recognized losses on sales, exchanges, or involuntary conversions of farm property which under section 1231(a) are treated as losses from sales or exchanges of capital assets held for more than 6 months, or

"(B) the amount (if any) by which the recognized gains described in section 1231(a) exceed the recognized losses described in such section.

"(2) NET FARM INCOME.—The term "net farm income" means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced by the sum of—

"(A) the deductions allowable under this chapter (other than by subsection (c) of this section) for such taxable year which are attributable to such business, and

"(B) in the case of a taxpayer other than a corporation, an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"(3) SPECIAL DEDUCTIONS.—The term "special deductions" means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—

"(A) taxes,

"(B) interest,

"(C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty,

"(D) losses and expenses directly attributable to drought, and

"(E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

"(4) FARM PROPERTY.—The term "farm property" means property which is used in the business of farming and which is property used in the trade or business within the meaning of paragraph (1), (3), or (4) of section 1231(b) (determined without regard to the period for which held).

"(5) DISALLOWED FARM OPERATING LOSS.—The term "disallowed farm operating loss" means, with respect to any taxable year, the amount disallowed as deductions under subsection (a) for such taxable year, reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"SPECIAL RULES.—For purposes of this section—

"(1) BUSINESS OF FARMING.—A taxpayer shall be treated as engaged in the business of farming for any taxable year if—

"(A) any deduction is allowable under section 162 or 167 for any expense paid or incurred by the taxpayer with respect to farming, or with respect to any farm property held by the taxpayer, or

"(B) any deduction would (but for this paragraph) otherwise be allowable to the taxpayer under section 212 or 167 for any expense paid or incurred with respect to farming, or with respect to property held for the production of income which is used in farming.

For purposes of this paragraph, farming does not include the raising of timber. In the case of a taxpayer who is engaged in the business of farming for any taxable year by reason of subparagraph (B), property held for the production of income which is used in farming shall, for purposes of this chapter, be treated as property used in such business.

"INCOME AND DEDUCTIONS.—The determination of whether any item of income is derived from the business of farming and whether any deduction is attributable to the business of farming shall be made under regulations prescribed by the Secretary or his delegate, but no deduction allowable under section 1202 (relating to deduction for capital gains) shall be attributable to such business.

"(3) CONTROLLED GROUP OF CORPORATIONS.—If two or more corporations which—

"(A) are component members of a controlled group of corporations (as defined in section 1563) on a December 31, and

"(B) have not filed a statement under subsection (b) which is effective for the taxable year which includes such December 31, each have deductions attributable to the business of farming (before the application of subsection (a)) in excess of its gross income derived from such business for its taxable year which includes such December 31, then, in applying subsection (a) for such taxable year, the \$15,000 amount specified in paragraph (2)(B) of such subsection shall be reduced for each such corporation to an amount which bears the same ratio to \$15,000 as the excess of such deductions over such gross income of such corporation bears to the aggregate excess of such deductions over such gross income of all such corporations.

"(4) PARTNERSHIPS.—A business of farming carried on by a partnership shall be treated as carried on by the members of such partnership in proportion to their interest in such partnership. To the extent that income and deductions attributable to a business of farming are treated under the preceding sentence as income and deductions of members of a partnership, such income and deduc-

tions shall, for purposes of this chapter, not be taken into account by the partnership.

"(5) TWO OR MORE BUSINESSES.—If a taxpayer is engaged in two or more businesses of farming, such businesses shall be treated as a single business.

"(6) RELATED INTEGRATED BUSINESSES.—If a taxpayer is engaged in the business of farming and is also engaged in one or more businesses which are directly related to his business of farming and are conducted on an integrated basis with his business of farming, the taxpayer may elect to treat all such businesses as a single business engaged in the business of farming. An election under this paragraph shall be made in such manner, at such time, and subject to such conditions as the Secretary or his delegate may prescribe by regulations.

"(7) SUBCHAPTER S CORPORATIONS AND THEIR SHAREHOLDERS.—

"For special treatment of electing small business corporations which do not file statements under subsection (b) and of the shareholders of such corporations, see section 1380.

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section.

"(b) SUBCHAPTER S CORPORATIONS.—Subchapter S (relating to election of certain small business corporations as to taxable status) is amended by adding after section 1379 (as added by section 531(a) of this Act) the following new section:

"SEC. 1380. ELECTING SMALL BUSINESS CORPORATIONS ENGAGED IN BUSINESS OF FARMING.

"(a) SEPARATE APPLICATION TO FARMING INCOME AND DEDUCTIONS.—Under regulations prescribed by the Secretary or his delegate, an electing small business corporation which is engaged in the business of farming during its taxable year (other than a corporation which has filed a statement under section 278(b) which is effective for such taxable year), and the shareholders of such corporation, shall apply the provisions of sections 1373 through 1378, separately with respect to—

"(1) income derived from the business of farming by such corporation and deductions attributable to such business, and

"(2) all other income and deductions of such corporation.

In computing the taxable income and undistributed taxable income, or net operating loss, of such corporation with respect to the business of farming, no deduction otherwise allowable under this chapter shall be disallowed to such corporation under section 278.

"(b) SHAREHOLDERS TREATED AS ENGAGED IN BUSINESS OF FARMING, ETC.—For purposes of section 278—

"(1) each shareholder of an electing small business corporation to which subsection (a) applies shall be treated as engaged in the business of farming,

"(2) the undistributed taxable income of such corporation which is included in the gross income of such shareholder under section 1373 and is attributable to income and deductions referred to in subsection (a)(1), and dividends received which are attributable to such income and deductions and are distributed out of earnings and profits of the taxable year as specified in section 316(a)(2), shall be treated as income derived from the business of farming by such shareholder, and

"(3) the deduction allowable (before the application of section 278) to such shareholder under section 1374 as his portion of such corporation's net operating loss attributable to income and deductions referred to in subsection (a)(1) shall be treated as a deduction attributable to the business of farming.

"(c) SPECIAL RULES OF SECTION 298(e)

APPLICABLE.—For purposes of this section, the special rules set forth in section 278(e) shall apply.

"(c) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of section for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 278. Limitation on deductions attributable to farming."

"(2) Section 172(1) is amended by adding at the end thereof the following new paragraph:

"(3) For limitations on deductions attributable to farming and special treatment of disallowed farm operating losses, see section 278."

"(3) Section 331(c) is amended by adding at the end thereof the following new paragraph:

"(24) FARM OPERATING LOSS CARRYOVERS.—The acquiring corporation shall take into account, under regulations prescribed by the Secretary or his delegate, the disallowed farm operating loss carryovers under section 278 of the distributor or transferor corporation."

"(4) The table of sections for subchapter S is amended by adding at the end thereof the following new item:

"Sec. 1380. Electing small businesses corporations engaged in business of farming."

"(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969, except that for purposes of applying section 278(c) of the Internal Revenue Code of 1954 (as added by subsection (a)) with respect to disallowed farm operating losses of any taxpayer for taxable years beginning after such date—

"(1) such amendments shall also apply to the 3 taxable years of such taxpayer preceding the first taxable year beginning after such date, and

"(2) in the case of a taxpayer to whom section 1380(b) of such Code (as added by subsection (b)) applies for any of his first 3 taxable years beginning after such date, section 1380 of such Code shall apply with respect to the electing small business corporation of which such taxpayer is a shareholder for the 3 taxable years preceding each such taxable year of such taxpayer, but only with respect to any such preceding taxable year for which the corporation was an electing small business corporation."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Maryland (Mr. MATHIAS) without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHOOSING THE BEST FIGHTER PLANE

Mr. MATHIAS. Mr. President, just briefly, I wish to associate myself with the remarks made earlier today by the distinguished Senator from Arkansas (Mr. McCLELLAN), in which he called attention to the necessity for choosing the best fighter plane that can be bought when we end the current competition for design of a new fighter to replace the Phantom F-4.

The U.S. Air Force is currently facing a major test. It is not a test of combat, although the Air Force's combat effectiveness will be deeply affected. Nor is it a test of personnel, although the lives of U.S. pilots will depend on the result.

Rather it is a test of the integrity and acumen of our political and administrative processes at home.

The outcome, unfortunately, is not a foregone conclusion. The last time such a challenge arose, the Air Force—and the American people—as well as the national security were all losers. The TFX fighter-bomber—the F-111 weapons system—was to be the foundation of our tactical airpower during the late 1960's and 1970's. The test came in the contractor selection process. The source selection board recommended a contractor and its decision was four times upheld on review by the highest ranking Air Force and Navy officers. The civilian leadership, however, overruled these authorities and chose the contractor rejected by the board.

The result was not an advanced new airplane assuring tactical air superiority to both services for decades to come. The result was scandal. After 7 years of abortive effort, the Navy got no plane at all, while the Air Force received one-third of the anticipated number at more than three times the unit cost and far below performance specifications.

Meanwhile the Soviet Union has produced large numbers of new tactical aircraft. While it does not have a TFX, its Mig-21 fighters are holding their own over Vietnam against the best comparable American plane, the Phantom F-4, and there are several more advanced aircraft in production in the Soviet Union. The Phantom F-4 is a superb plane; but it is a product of mid-fifties technology. Its proposed replacement—the competitor for the newer Soviet models—is the F-15.

An air-superiority plane designed to combat enemy fighters in the air, the F-15 is envisaged as being much more maneuverable, with far greater range and acceleration than any other fighter in the U.S. Air Force—or the world. It is essential that the very best design be chosen for this aircraft. Neither our pilots, nor our security, can easily afford a new TFX affair.

The Air Force is now in the final selection process for the F-15. There are three competitors—Fairchild-Hiller Corp., the North American Rockwell Corp., and the McDonnell-Douglas Corp. Laymen in the Congress and in the country have no way of choosing among them. But we insist that the best of them be chosen. For the plane that is built will have to serve in various contingencies for some 20 years. The Phantom F-4, for example, is approaching its mid-twenties and will have to suffice until the F-15 is deployed.

Early last month, the distinguished Senator from Arkansas (Mr. McCLELLAN), one of the leading critics of the TFX at the time its "second best" design was chosen, spoke on the floor of the Senate on the F-15. I quote his words:

We must not select any more "second best" candidates for air superiority. The F-111 program showed us what can happen when extraneous factors are substituted for military excellence as guides to the placement of aircraft development contracts.

I trust that we have learned a valuable

lesson from the TFX procurement, and that the serious mistakes that have cost us so much in effort, time, money, and loss of weaponry in that program will not be repeated in this procurement.

I have faith in the competence, experience, and technical knowledge of the aviation experts who are now judging the three competing designs in order to evaluate them. They should recommend the proposal which will best enable our Air Force to hold air superiority in combat skies. I also have faith in the established procedures of the Source Selection Board.

I have great confidence in Secretary of Defense Laird. I know that it is his intention to give us the very best procurement program possible, but it is imperative that the civilian officials of the Pentagon select the aircraft among the three which is best suited to do the combat job required, and that no considerations of any kind other than merit and capability of performance be used to determine the award winner.

I feel very strongly that we can afford nothing but the best in this area, and I join the distinguished Senator from Arkansas in insisting that the best plane be chosen. This time I think we have to give our pilots a fighter, and not a fiasco.

MESSAGE FROM THE PRESIDENT— APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on December 2, 1969, the President had approved and signed the following acts and joint resolution:

S. 92. An act for the relief of Mr. and Mrs. Wong Yui;

S. 2000. An act to establish the Lyndon B. Johnson National Historic Site; and

S.J. Res. 26. Joint resolution to provide for the development of the Eisenhower National Historic Site at Gettysburg, Pa., and for other purposes.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of James H. Walsh, of Florida, to be U.S. attorney for the middle district of Florida, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that further proceedings under the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I have discussed the Fannin amendment with the sponsor of that amendment, and he is willing, in order to accommodate Senators, that the action and vote on that amendment be deferred.

It was intended that the amendment of the Senator from Montana (Mr. METCALF) would be the next amendment acted upon, pursuant to a unanimous-consent agreement. However, in order to accommodate Senators, so that the social security amendment may be voted on in the early part of this afternoon and so that Senators will have an opportunity to vote on that issue, I ask unanimous consent that amendment No. 367, the amendment on social security offered by the Senator from Louisiana and others, be considered next and that amendment No. 315 offered by the Senator from Montana (Mr. METCALF) be temporarily set aside and be considered following the social security amendment.

Mr. METCALF. Mr. President, my amendment would be temporarily set aside for the social security amendment.

Mr. LONG. The Senator is correct.

Mr. GRIFFIN. Mr. President, reserving the right to object, a number of Senators have gone to lunch and are away from the Chamber relying on the schedule announced earlier. I do not think there would be any question that at this stage, at least, I would have to respectfully object.

Mr. METCALF. Mr. President, in order to accommodate the committee, I withdraw my amendment and ask that the Senator from Louisiana be recognized so that he might offer his amendment. I will call up my amendment later.

The PRESIDING OFFICER. The amendment of the Senator from Montana (amendment No. 315) is withdrawn. The second part of his request is unnecessary because pursuant to the order of yesterday, the amendment of the Senator from Louisiana is automatically laid before the Senate again.

AMENDMENT NO. 367

Mr. LONG. Mr. President, I call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. LONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment (No. 367) ordered to be printed in the RECORD, was to add at the end of the bill the following new title:

TITLE X—INCREASE IN SOCIAL SECURITY BENEFITS

SECTION 1. That this title may be cited as the "Social Security Amendments of 1969".

INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

I		II	III		IV	V	I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)	(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1967 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—			At least—	But not more than—		At least—	But not more than—		
-----	\$16.20	\$55.40 or less	-----	\$76	\$64.00	\$96.00	-----	\$140.40	\$348	\$351	\$161.50	\$280.80	

(b) Section 203(a) of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following

"(2) when two or more persons were entitled (without the application of section 202(j) (1) and section 223(b)) to monthly benefits under section 202 or 223 for January 1970 on the basis of the wages and self-employment income of such insured individual and at least one such person was so entitled for December 1969 on the basis of such wages

and self-employment income, such total of benefits for January 1970 or any subsequent month shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the applica-

tion of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to January 1970, for each such person for such month, by 115 percent and raising each such increased amount, if it is not a multiple of \$0.10, to the next higher multiple of \$0.10;

but in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of sub-paragraph (B), and (ii) if section 202(k)

(2) (A) was applicable in the case of any such benefits for January 1970, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k) (2) (A) ceases to apply, as though paragraph (1) had not been applicable to such total of benefits for January 1970, or".

(c) Section 215(b) (4) of such Act is amended by striking out "January 1968" each time it appears and inserting in lieu thereof "December 1969".

(d) Section 215(c) of such Act is amended to read as follows:

"Primary Insurance Amount Under 1967 Act

"(c) (1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1969.

"(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before January 1970, or who died before such month."

(e) The amendments made by this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969 and with respect to lump-sum death payments under such title in the case of deaths occurring after December 1969.

(f) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act for December 1969 and became entitled to old-age insurance benefits under section 202(a) of such Act for January 1970, or he died in such month, then, for purposes of section 215(a) (4) of the Social Security Act (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215 (c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefits is based.

INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

SEC. 3. (a) (1) Section 227(a) of the Social Security Act is amended by striking out "\$40" and inserting in lieu thereof "\$46," and by striking out "\$20" and inserting in lieu thereof "\$23".

(2) Section 227(b) of such Act is amended by striking out in the second sentence "\$40" and inserting in lieu thereof "\$46".

(b) (1) Section 228(b) (1) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$46".

(2) Section 228(b) (2) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$46", and by striking out "\$20" and inserting in lieu thereof "\$23".

(3) Section 228(c) (2) of such Act is amended by striking out "\$20" and inserting in lieu thereof "\$23".

(4) Section 228(c) (3) (A) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$46".

(5) Section 228(c) (3) (B) of such Act is amended by striking out "\$20" and inserting in lieu thereof "\$23".

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

MAXIMUM AMOUNT OF A WIFE'S OR HUSBAND'S INSURANCE BENEFITS

SEC. 4. (a) Section 202(b) (2) of the Social Security Act is amended to read as follows:

"(2) Except as provided in subsection (q), such wife's insurance benefit for each month shall be equal to one-half of the primary insurance amount of her husband (or, in the

case of a divorced wife, her former husband) for such month."

(b) Section 202(c) (3) of such Act is amended to read as follows:

"(3) Except as provided in subsection (q), such husband's insurance benefit for each month shall be equal to one-half of the primary insurance amount of his wife for such month."

(c) Sections 202(e) (4) and 202(f) (5) of such Act are each amended by striking out "whichever of the following is the smaller: (A) one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based, or (B) \$105" and inserting in lieu thereof "one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based".

(d) The amendments made by subsections (a), (b) and (c) shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1969.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 5. (a) Section 201(b) (1) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967, and so reported," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and so reported, and (D) 1.10 per centum of the wages (as so defined) paid after December 31, 1969, and so reported,".

(b) Section 201(b) (2) of such Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and (D) 0.825 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969,".

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that my name also be listed as a cosponsor of the amendment of the Senator from Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, the pending amendment provides for a 15-percent increase in social security benefits for 25 million current beneficiaries, effective with the January 1970 benefits.

The minimum benefit would be increased from \$55 to \$64 a month. The eventual maximum benefits would be increased from \$218 to \$250.70 a month for a single worker, and from \$323 to \$376 for a married couple.

For those age 72 or over, the special

payments would also be increased 15 percent from \$40 to \$46 a month for a single person and from \$60 to \$69 for a married couple.

The 15-percent increase would be financed from the actuarial surplus of 1.16 percent of taxable payroll. Additional payments from the 15-percent increase in fiscal year 1970 would be \$1.7 billion. For the fiscal year 1971, it would be \$4.4 billion.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a tabulation I have had prepared showing that the fund, without any further tax increase, can stand a 15-percent increase in benefits on an across-the-board basis, and that it would still be in actuarial balance after such an increase.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

ACTUARIAL BALANCE OF OASDI TRUST FUND [Percent of taxable payroll]

Present law.....	+1.16
Benefit increase of 15 percent.....	-1.24
Actuarial balance under bill.....	-0.08

BALANCE OF OLD-AGE AND SURVIVORS TRUST FUND [In billions of dollars]

Year	Contributions	Benefits	Balance at end of year ¹
1967.....	\$23.2	\$19.5	\$24.2
1968.....	24.1	22.6	25.7
1969.....	28.5	24.2	30.2
1970 ²	30.1	28.7	31.8
1971 ²	34.5	30.2	36.6
1972 ²	36.5	31.4	42.4

¹ Reflects administrative expenses, interest, and railroad retirement finance charge in addition to contributions and benefits.

² Under the Long amendment.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HARRIS. Mr. President, first I commend the distinguished Senator from Louisiana for offering his amendment, which I support.

I know that the House action on social security does not do this, but I ask the Senator what he would think about making sure that at the time we grant a 15-percent increase in social security benefits, there also be some increase out of the funds that the State would otherwise have as a result of the social security benefit increase, for an increase for some 3 million additional people on welfare who would not otherwise be helped by the amendment but who could be helped, at least to some degree, without additional Federal contribution.

Has the Senator given that matter any thought?

Mr. LONG. Mr. President, the kind of thing the Senator advocates has a great deal of appeal to the Senator from Louisiana. On some occasions I have offered amendments of that nature myself. I have rather consistently supported amendments seeking to achieve the result that welfare payments not be reduced by the same amount that social security benefits are increased. The idea

of the Senator from Oklahoma—and that of his predecessor, former Senator Kerr—was that those in need should not have their social security increases entirely offset by a reduction in their public welfare checks, as has happened in some instances.

It is my judgment, however, that such a provision should not be put in the pending bill. If we seek to do so, I believe that the House of Representatives would take the view that it is sending us a social security package that will include the consideration of amendments of the sort the Senator is discussing at the moment. When we get into those matters, we will find a great number of meritorious amendments to the social security and welfare programs that are justified. I doubt very much that the House is going to be willing to accept on this bill anything other than its own handiwork. I think it might take some doing to prevail upon them even to accept their own bill as an amendment to this tax bill, because they have some pride of authorship, and they studied this matter while we were working on this tax bill. I think the Senator is aware of that.

I would hope we could simply agree to an amendment which is identical with that proposed by the Ways and Means Committee, to see that we enact a 15-percent benefit increase before Christmas, and that we postpone consideration of the many other meritorious things that can be done in connection with the social security bill until we have a chance to take a good look at those measures and study them thoroughly.

I am sure the Senator realizes that we will be evaluating many matters such as the one he has in mind. The Senator wants us to require that the States make certain changes in their welfare laws, and this might be worthwhile, but it would undoubtedly receive opposition from some of the States. They should be entitled to make their presentation, to show what their problem would be, prior to our acting on such a proposal.

Mr. HARRIS. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. HARRIS. The Senator recalls that in prior years—I believe the last time we had a social security increase—we put in a provision that \$7.50 of it would not be chargeable against welfare. A million and a half people receive some welfare payment and some social security payment. If the social security payment goes up, their welfare payment is generally decreased by the same amount. So that while we are improving the social security recipient's situation, one and a half million people who are on partial social security and another million and a half who are on welfare totally are likely to receive no increase at all.

It seems to me—and I think the Senator will agree with this principle—that if it is important, as I think it is, to improve the position of social security recipients by Christmas, it is equally important that we do that for 3 million or so others who may be—who probably are—in worse economic condition.

Mr. LONG. Let me mention to the Senator something that comes into play here. We are told that it takes some time for the Department of Health, Education, and Welfare to adjust their computers in order to send out checks that are 15 percent higher to 25 million beneficiaries. The Social Security Administration tells us that it will require until April 1 to change over and to put this new schedule of payments into effect.

Assuming that we could pass a 15-percent benefit increase and make it effective before the first of the year, it would nevertheless take until April 1 for the beneficiaries to actually receive the higher benefits. Thus a person now receiving a \$100 monthly social security check would receive a check in the amount of \$145 in early April—a \$115 new benefit amount plus \$30 in back payments for January and February. I should think that by April the members of the Finance Committee could do justice to a legislative proposal along the lines the Senator has suggested, that welfare checks should not be reduced by the amount of the social security increase. That way the States would have an opportunity to be heard, rather than our just telling the sovereign States that they must do something, without their having opportunity to present their case.

Something else should be considered in connection with this matter. I suspect that one of these days the Federal Government is going to preempt the field of social welfare for the needy and blanket under Social Security those persons who presently must rely upon State welfare payments, relieving the States of the very heavy burden they presently bear in connection with providing benefits to meet the essential needs of needy persons.

Assuming that we proceed in the fashion that I have suggested, we would have time to act on a measure of the sort the Senator from Oklahoma has suggested before the first social security increase checks actually reach those persons. I do not think that the welfare departments should be allowed to reduce welfare payments to persons on account of social security increases that have accrued to them but that they have not actually received. And by the time they get the social security increase, I would hope that we could act to consider the kind of amendment the Senator from Oklahoma has suggested.

Mr. HARRIS. Mr. President, I believe that we should federalize the welfare system. I am in the process of trying to draft workable legislation which would do that.

In the meantime, I think there is an immediate problem in this bill, and that is the retroactive feature of the social security payment when it comes, unless something is written into the law. It seems to me that three things might be done in this bill which would be relatively noncontroversial and would not require additional Federal contribution in order to pass along some increase to those on welfare or partial welfare.

First, it seems to me that a provision might be written into this bill that when the social security increase comes, the retroactive payment under social secu-

rity not be considered as part of the resources available to public assistance recipients during that period. I think the amount of trouble the welfare departments would have in checking back, and so forth, would not make it worthwhile. Furthermore, these people are entitled to that. That is No. 1, the retroactive feature, and its effect on welfare recipients.

Second, it seems to me that we might increase in this bill the provision we once put in the law, providing that \$7.50 of the social security increase would not be considered in connection with reducing the welfare assistance of those who are on partial social security and partial welfare. We might increase that to 15 percent. That would do something, then, for the 1½ million people who are on part welfare and part social security.

Third, for the other people, it seems to me that we might write into this bill that the balance of the money that the States would realize and which could be used as they pleased, because they would not need to spend as much for welfare because of this increased social security that they should use it in trying to meet budgeted but unmet public assistance needs, or through some kind of blanket or general increase in public assistance.

Some of my staff people are meeting presently with the staff of the Finance Committee with respect to one or two ways I think one might go at doing what I am talking about. Basically, I am not talking about something that would be controversial, to the extent that it would require additional Federal contribution. I do not know that we can get ready in time—we only learned yesterday this matter was going to come up today—to draft and secure sufficient support for an amendment applicable to all welfare recipients. It is going to be tough enough, if we can do it at all, to accomplish what I have discussed. Full welfare reform and more humane levels I hope will follow soon.

I am very pleased about what the Senator has pointed out—that we would have some time between now and April, perhaps, to do some of these things. But I would hope that before final action would be taken on the Senator's amendment, I might have the opportunity to offer an amendment to it. My staff people are presently talking with the staff of the Finance Committee, to see whether an amendment such as that I have discussed could be drawn in simple enough form and noncontroversial enough form that it might be adopted. In no event do I want to take away from or differ with what the distinguished Senator is trying to do with regard to social security.

Mr. LONG. May I say to my good friend from Oklahoma, who has repeatedly demonstrated his great interest in meeting the needs of the needy, the less fortunate, and those who have very modest means, that the adoption of the amendment I have offered does not prejudice the Senator's right to offer the amendment he has in mind. I am sure the Senator agrees with that.

There are some Senators who would like to vote for this increase in social security benefits on an across-the-board

basis. I think the Senator from Oklahoma himself would be the first to agree that it would be desirable to act on the 15-percent increase and to act favorably upon it; and that this would not at all affect the rights of Senators to offer amendments such as the one he has suggested. They could be offered either immediately after this amendment or they could be offered almost at any point in the bill. It is simply a matter of amending the basic social security and public welfare laws, if that is what the Senator seeks to do. The adoption of my amendment at this time would not foreclose him from offering his amendment later.

Mr. HARRIS. I thank the Senator for yielding so that we might have this discussion. I think the discussion is very helpful in connection with this matter and especially with respect to what we might do next year if we do not do something in connection with this bill. I will get together with the staff later this afternoon.

I thank the Senator for yielding to me. Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUGHES in the chair). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to the amendment of the Senator from Louisiana. The amendment is offered on behalf of the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Iowa (Mr. MILLER), the Senator from Idaho (Mr. JORDAN), the Senator from Arizona (Mr. FANNIN), and the Senator from Wyoming (Mr. HANSEN), and myself.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment to the amendment of the Senator from Louisiana, ordered to be printed in the RECORD, was, beginning on line 7, page 1 of amendment No. 317, strike out all down to and including

line 11, page 9, and in lieu thereof insert the following:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Amendments of 1969".

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- Sec. 3. Increase in benefits for certain individuals age 72 and over.
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- Sec. 6. Increase of earnings counted for benefit and tax purposes.
- Sec. 7. Automatic adjustment of earnings base.
- Sec. 8. Changes in tax schedules.
- Sec. 9. Age 62 computation point for men.
- Sec. 10. Entitlement to child's insurance benefits based on disability which began between 18 and 22.
- Sec. 11. Allocation to Disability Insurance Trust Fund.
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- Sec. 14. Increase in widow's and widower's insurance benefits.

INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 2. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

I	II	III	IV	V	I	II	III	IV	V			
(Primary insurance benefit under 1939 act, as modified)	(Primary insurance amount under 1967 act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)	(Primary insurance benefit under 1939 act, as modified)	(Primary insurance amount under 1967 act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)			
If an individual's primary insurance benefit (as determined under subsec. (d)) is—					If an individual's primary insurance benefit (as determined under subsec. (d)) is—							
But not more than—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	But not more than—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—			
At least—	At least—	At least—	At least—	At least—	At least—	At least—	At least—	At least—	At least—			
-----	\$16.20	\$55.40 or less	\$76	\$61.00	\$91.50	\$37.61	\$38.20	\$101.60	\$198	\$202	\$111.80	\$167.70
\$16.21	16.84	56.50	77	62.20	93.30	38.21	39.12	102.90	203	207	113.20	169.80
16.85	17.60	57.70	79	63.50	95.30	39.13	39.68	104.10	208	211	114.60	171.90
17.61	18.40	58.80	81	64.70	97.10	39.69	40.33	105.20	212	216	115.80	173.70
18.41	19.24	59.90	82	65.90	98.90	40.34	41.12	106.50	217	221	117.20	176.80
19.25	20.00	61.10	84	67.30	101.00	41.13	41.76	107.70	222	225	118.50	180.00
20.01	20.64	62.20	86	68.50	102.80	41.77	42.44	108.90	226	230	119.80	184.00
20.65	21.28	63.30	88	69.70	104.60	42.45	43.20	110.10	231	235	121.20	188.00
21.29	21.88	64.50	90	71.00	106.50	43.21	43.76	111.40	236	239	122.60	191.20
21.89	22.28	65.60	91	72.20	108.30	43.77	44.44	112.60	240	244	123.90	195.20
22.29	22.68	66.70	93	73.40	110.10	44.45	44.88	113.70	245	249	125.10	199.20
22.69	23.08	67.80	95	74.60	111.90	44.89	45.60	115.00	250	253	126.50	202.40
23.09	23.44	69.00	97	75.90	113.90			116.20	254	258	127.90	206.40
23.45	23.76	70.20	98	77.30	116.00			117.30	259	263	129.10	210.40
23.77	24.20	71.50	100	78.70	118.10			118.60	264	267	130.50	213.60
24.21	24.60	72.60	102	79.90	119.90			119.80	268	272	131.80	217.60
24.61	25.00	73.80	103	81.20	121.80			121.00	273	277	133.10	221.60
25.01	25.48	75.10	105	82.70	124.10			122.20	278	281	134.50	224.80
25.49	25.92	76.30	107	84.00	126.00			123.40	282	286	135.80	228.80
25.93	26.40	77.50	108	85.30	128.00			124.70	287	291	137.20	232.80
26.41	26.94	78.70	110	86.60	129.90			125.80	292	295	138.40	236.00
26.95	27.46	79.90	114	87.90	131.90			127.10	296	300	139.90	240.00
27.47	28.00	81.10	119	89.30	134.00			128.30	301	305	141.20	244.00
28.01	28.68	82.30	123	90.60	135.90			129.40	306	309	142.40	247.20
28.69	29.25	83.60	128	92.00	138.00			130.70	310	314	143.80	251.20
29.26	29.68	84.70	133	93.20	139.80			131.90	315	319	145.10	255.20
29.69	30.36	85.90	137	94.50	141.80			133.00	320	323	146.30	258.40
30.37	30.92	87.20	142	96.00	144.00			134.30	324	328	147.80	262.40
30.93	31.36	88.40	147	97.30	146.00			135.50	329	333	149.10	266.40
31.37	32.00	89.50	151	98.50	147.80			136.80	334	337	150.50	269.60
32.01	32.60	90.80	156	99.90	149.90			137.90	338	342	151.70	273.60
32.61	33.20	92.00	161	101.20	151.80			139.10	343	347	153.10	277.60
33.21	33.88	93.20	165	102.60	153.90			140.40	348	351	154.50	280.80
33.89	34.50	94.40	170	103.90	155.90			141.50	352	356	155.70	284.80
34.51	35.00	95.60	175	105.20	157.80			142.80	357	361	157.10	288.80
35.01	35.80	96.80	179	106.50	159.80			144.00	362	365	158.40	292.00
35.81	36.40	98.00	184	107.80	161.70			145.10	366	370	159.70	296.00
36.41	37.08	99.30	189	109.30	164.00			146.40	371	375	161.10	300.00
37.09	37.60	100.50	194	110.60	165.90			147.60	376	379	162.40	303.20
								148.90	380	384	163.80	307.20

TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

I					II					III					IV					V				
(Primary insurance benefit under 1939 act, as modified)					(Primary insurance amount under 1967 act)					(Average monthly wage)					(Primary insurance amount)					(Maximum family benefits)				
If an individual's primary insurance benefit (as determined under subsec. (d)) is—					Or his primary insurance amount (as determined under subsec. (c)) is—					Or his average monthly wage (as determined under subsec. (b)) is—					The amount referred to in the preceding paragraphs of this subsection shall be—					And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—				
At least—	But not more than—				At least—	But not more than—				At least—	But not more than—				At least—	But not more than—				At least—	But not more than—			
					\$150.00	\$385	\$389	\$165.00	\$311.20															
					151.20	390	393	166.40	314.40															
					152.50	394	398	167.80	318.40															
					153.60	399	403	169.00	322.40															
					154.90	404	407	170.40	325.60															
					156.00	408	412	171.60	329.60															
					157.10	413	417	172.90	333.60															
					158.20	418	421	174.10	336.80															
					159.40	422	426	175.40	340.80															
					160.50	427	431	176.60	344.80															
					161.60	432	436	177.80	348.80															
					162.80	437	440	179.10	352.00															
					163.90	441	445	180.30	356.00															
					165.00	446	450	181.50	360.00															
					166.20	451	454	182.90	361.60															
					167.30	455	459	184.10	363.60															
					168.40	460	464	185.30	365.60															
					169.50	465	468	186.50	367.20															
					170.70	469	473	187.80	369.20															
					171.80	474	478	189.00	371.20															
					172.90	479	482	190.20	372.80															
					174.10	483	487	191.60	374.80															
					175.20	488	492	192.80	376.80															
					176.30	493	496	194.00	378.40															
					177.50	497	501	195.30	380.40															
					178.60	502	506	196.50	382.40															
					179.70	507	510	197.70	384.00															
					180.80	511	515	198.90	386.00															
					182.00	516	520	200.20	388.00															
					183.10	521	524	201.50	389.60															
					184.20	525	529	202.70	391.60															
					185.40	530	534	204.00	393.60															
					186.50	535	538	205.20	395.20															
					187.60	539	543	206.40	397.20															
					188.80	544	548	207.70	399.20															
					189.90	549	553	208.90	401.20															
					191.00	554	556	210.10	402.40															

(b) Section 203(a) of such Act is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) when two or more persons were entitled (without the application of section 202(j) (1) and section 223(b)) to monthly benefits under section 202 or 223 for March 1970 on the basis of the wages and self-employment income of such insured individual and at least one such person was so entitled for February 1970 on the basis of such wages and self-employment income, such total of benefits for March 1970 or any subsequent month shall not be reduced to less than the larger of—

"(A) the amount determined under this subsection without regard to this paragraph, or

"(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to March 1970, for each such person for such month, by 110 percent and raising each such increased amount, if it is not a multiple of \$0.10, to the next higher multiple of \$0.10;

But in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of subparagraph (B), and (ii) if section 202(k) (2) (A) was applicable in the case of any such benefits for March 1970, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k) (2) (A) ceases to apply, as though paragraph (1) had not

been applicable to such total of benefits for March 1970, or".

(c) Section 215(b)(4) of such Act is amended by striking out "January 1968" each time it appears and inserting in lieu thereof "February 1970".

(d) Section 215(c) of such Act is amended to read as follows:

"PRIMARY INSURANCE AMOUNT UNDER 1967 ACT"

"(c) (1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1969.

"(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before March 1970, or who died before such month."

(e) The amendments made by this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after February 1970 and with respect to lump-sum death payments under such title in the case of deaths occurring after February 1970.

(f) If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act for February 1970 and became entitled to old-age insurance benefits under section 202(a) of such Act for March 1970, or he died in such month, then, for purposes of section 215(a) (4) of the Social Security Act (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the

line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefit is based.

INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

SEC. 3. (a) (1) Section 227(a) of the Social Security Act is amended by striking out "\$40" and inserting in lieu thereof "\$44," and by striking out "\$20" and inserting in lieu thereof "\$22."

(2) Section 227(b) of such Act is amended by striking out in the second sentence "\$40" and inserting in lieu thereof "\$44."

(b) (1) Section 228(b) (1) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$44."

(2) Section 228(b) (2) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$44," and by striking out "\$20" and inserting in lieu thereof "\$22."

(3) Section 228(c) (2) of such Act is amended by striking out "\$20" and inserting in lieu thereof "\$22."

(4) Section 228(c) (3) (A) of such Act is amended by striking out "\$40" and inserting in lieu thereof "\$44."

(5) Section 228(c) (3) (B) of such Act is amended by striking out "\$20" and inserting in lieu thereof "\$22."

(c) The amendments made by subsections (a) and (b) shall apply with respect to monthly benefits under title II of the Social Security Act for months after February 1970.

AUTOMATIC ADJUSTMENT OF BENEFITS

SEC. 4. (a) Section 215 of the Social Security Act is amended by adding after subsection (h) the following new subsection:

"COST-OF-LIVING INCREASES IN BENEFITS

"(1) (1) For purposes of this subsection—
 "(A) the term 'base quarter' shall mean the period of 3 consecutive calendar months ending on September 30, 1969, and the period of 3 consecutive calendar months ending on September 30 of each year thereafter.

"(B) the term 'cost-of-living computation quarter' shall mean the base quarter in which the monthly average of the Consumer Price Index prepared by the Department of Labor exceeds, by not less than 3 per centum, the monthly average of such index in the later of: (i) the 3 calendar-month period ending on September 30, 1969 or (ii) the base quarter which was most recently a cost-of-living computation quarter.

"(2) (A) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall, effective for January of the next calendar year, increase the benefit amount of each individual who for such month is entitled to benefits under section 227 or 228 and the primary insurance amount of each individual, specified in subparagraph (B) of this paragraph, by an amount derived by multiplying such amount of each such individual (including each such individual's primary insurance amount or benefit amount under section 227 or 228 as previously increased under this subparagraph) by the same per centum (rounded to the nearest one-tenth of 1 per centum) as the monthly average of the Consumer Price Index for such cost-of-living computation quarter exceeds the monthly average of such index for the base quarter determined after the application of clauses (1) and (2) of paragraph (1) (B). Such increased primary insurance amount shall be considered such individual's primary insurance amount for purposes of this subsection, section 202, and section 223.

"(B) The increase provided by subparagraph (A) with respect to a particular cost-of-living computation quarter shall apply in the case of monthly benefits under this title for months after December of the calendar year in which occurred such cost-of-living computation quarter, based on the wages and self-employment income of an individual who became entitled to monthly benefits under section 202, 223, 227, or 228 (without regard to section 202(j)(1) or section 223(b)), or who died, in or before December of the calendar year in which occurred such cost-of-living computation quarter.

"(C) If the Secretary determines that a base quarter in a calendar year is also a cost-of-living computation quarter, he shall publish in the Federal Register on or before December 1 of such calendar year a determination that a benefit increase is resultantly required and the percentage thereof. He shall also publish in the Federal Register at that time a revision of the benefit table contained in subsection (a), as it may have been revised previously, pursuant to this subparagraph. Such revision shall be determined as follows:

"(i) The amount of each line of column II shall be changed to the amount shown on the corresponding line of column IV of the table in effect before this revision.

"(ii) The amount of each line of column IV shall be increased from the amount shown in the table in effect before this revision by increasing such amount by the per centum specified in subparagraph (A) of paragraph (2), raising each such increased amount, if not a multiple of \$.10, to the next higher multiple of \$.10.

"(iii) If the contribution and benefit base (as defined in section 230(b)) for the calendar year in which such benefit table is revised is lower than such base for the following calendar year, columns III, IV, and V shall be extended. The amount in the first additional line in column IV shall be the amount in the last line of such column as determined under clause (ii), plus \$1.00, rounding such increased amount to the nearest multiple of \$.10. The amount of each succeeding line of column IV shall be the amount on the preceding line increased by \$1.00, until the amount on the last line of such column shall be equal to one-thirty-sixth of the contribution and earnings base for the calendar year succeeding the calendar year in which such benefit table is revised, rounding such amount, if not a multiple of \$1.00, to the nearest multiple of \$1.00. The amount in each additional line of column III shall be determined so that the second figure in the last line of column III shall be one-twelfth of the contribution and earnings base for the calendar year following the calendar year in which such benefit table is revised, and the remaining figures in column III shall be determined in consistent mathematical intervals from column IV. The second figure in the last line of column III before the extension of the column shall be increased to a figure mathematically consistent with the figures determined in accordance with the preceding sentence. The amount on each line of column V shall be increased, to the extent necessary, so that each such amount shall be equal to 40 per centum of the second figure in the same line of column III, plus 40 per centum of the smaller of (I) such second figure or (II) the larger of \$450 or 50 per centum of the largest figure in column III.

"(iv) The amount on each line of column V shall be increased, if necessary, so that such amount shall be at least equal to one and one-half times the amount shown on the corresponding line in column IV. Any such increased amount that is not a multiple of \$.10 shall be increased to the next higher multiple of \$.10."

(b) Section 203(a) of such Act is amended by striking out the period at the end of the first sentence and inserting in lieu thereof ", or" and adding the following new paragraph:

"(4) when two or more persons are entitled (without the application of section 202(j)(1) and section 223(b)) to monthly benefits under section 202 or 223 for December in the calendar year in which occurs a cost-of-living computation quarter (as defined in section 215(i)(1)) on the basis of the wages and self-employment income of such insured individual, such total of benefits for the month immediately following shall be reduced to not less than the amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222 (b), section 202(q), and subsections (b), (c), and (d) of this section) as in effect for December for each such person by the same per centum increase as such individual's primary insurance amount (including such amount as previously increased under section 215(i)(2)) is increased and raising each such increased amount, if not a multiple of \$.10, to the next highest multiple of \$.10."

(c) (1) Section 202(a) of such Act is amended by striking out "(as defined in section 215(a))".

(2) Section 215(f)(4) of such Act is amended by adding at the end before the period the following: "(including a primary insurance amount as increased under subsection (i)(2))".

(3) Section 215(g) of such Act is amended by striking out "primary insurance amount" and inserting in lieu thereof "primary insurance amount (including a pri-

mary insurance amount as increased under subsection (i)(2))".

LIBERALIZATION OF EARNINGS TEST

SEC. 5. (a) (1) Paragraphs (1) and (4) (B) of section 203(f) of the Social Security Act are each amended by striking out "\$140" and inserting in lieu thereof "\$150 or the exempt amount as determined under paragraph (8)".

(2) Paragraph (1) (A) of section 203(h) of such Act is amended by striking out "\$140" and inserting in lieu thereof "\$150 or the exempt amount as determined under paragraph (8)".

(3) Paragraph (3) section 203(f) of such Act is amended to read as follows:

"(3) For purposes of paragraph (1) and subsection (h), an individual's excess earnings for a taxable year shall be 50 per centum of his earnings for such year in excess of the product of \$150 or the exempt amount as determined under paragraph (8) multiplied by the number of months in such year. The excess earnings as derived under the preceding sentence, if not a multiple of \$1, shall be reduced to the next lower multiple of \$1."

(b) Subsection (f) of section 203 of such Act is amended by adding at the end thereof the following new paragraph:

"(8) (A) On or before October 1 of 1972 and of each even-numbered year thereafter, the Secretary shall determine and publish in the Federal Register the exempt amount as defined in subparagraph (B) for each month in the two taxable years which end after the calendar year following the year in which such determination is made.

"(B) The exempt amount for each month of a particular taxable year shall be whichever of the following is the larger:

"(i) the product of \$150 and the ratio of (I) the average taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of the calendar year in which a determination under subparagraph (A) is made for each such month of such particular taxable year to (II) the average of the taxable wages of all persons for whom wages were reported to the Secretary for the first calendar quarter of 1971; such product, if not a multiple of \$10, shall be rounded to the nearest multiple of \$10, or

"(ii) the exempt amount for each month in the taxable year preceding such particular taxable year; except that the provisions in clause (i) shall not apply with respect to any taxable year unless the contribution and earnings base for such year is determined under section 230(b)(1)."

(c) Clause (B) of Section 203(f)(1) of the Social Security Act is amended to read as follows:

"(B) in which such individual was age 72 or over, excluding from such excess earnings the earnings of an individual in or after the month in which he was age 72 in the year in which he attained age 72, with the amount (if any) of an individual's self-employment income in such year being prorated in an equitable manner under regulations prescribed by the Secretary."

(d) The amendments made by this section shall apply with respect to taxable years ending after December 1970.

INCREASE OF EARNINGS COUNTED FOR BENEFIT AND TAX PURPOSES

SEC. 6. (a) (1) (A) Section 209(a)(5) of the Social Security Act is amended by inserting "and prior to 1972" after "1967".

(B) Section 209(a) of such Act is further amended by adding at the end thereof the following new paragraphs:

"(6) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to \$9,000 with respect

to employment has been paid to an individual during any calendar year after 1971 and prior to 1974, is paid to such individual during any such calendar year;

"(7) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to the contribution and earnings base (determined under section 230) with respect to employment paid to an individual during the calendar year with respect to which such contribution and earnings base effective, is paid to such individual during such calendar year;

(2) (A) Section 211(b)(1)(E) of such Act is amended by inserting "and prior to 1972" after "1967", by striking out "; or" and inserting in lieu thereof "; and".

(B) Section 211(b)(1) of such Act is further amended by adding at the end thereof the following new subparagraphs:

"(F) For any taxable year ending after 1971 and prior to 1974, (i) \$9,000, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(G) For any taxable year ending in any calendar year after 1973, (i) an amount equal to the contribution and earnings base (as determined under section 230) effective for such calendar year, minus (ii) the amount of the wages to such individual during such taxable year, or".

(3) (A) Section 213(a)(2)(ii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and before 1972, or \$9,000 in the case of a calendar year after 1971 and before 1974, or an amount equal to the contribution and earnings base (as determined under section 230) in the case of any calendar year with respect to which such contribution and earnings base was effective".

(B) Section 213(a)(2)(iii) of such Act is amended by striking out "after 1967" and inserting in lieu thereof "after 1967 and prior to 1972, or \$9,000 in the case of a taxable year ending after 1971 and prior to 1974 or the amount equal to the contribution and earnings base (as determined under section 230), in the case of any taxable year ending in any calendar year after 1973, effective for such calendar year".

(4) Section 215(e)(1) of such Act is amended by striking out "and the excess over \$7,800 in the case of any calendar year after 1967" and inserting in lieu thereof "the excess over \$7,800 in the case of any calendar year after 1967 and before 1972, the excess over \$9,000 in the case of any calendar year after 1971 and before 1974, and the excess over an amount equal to the contribution and earnings base (as determined under section 230) in the case of any calendar year after 1973 with respect to which such contribution and earnings base was effective".

(b) (1) (A) Section 1402(b)(1)(E) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by inserting "and before 1972" after "1967", and by striking out "; or" and inserting in lieu thereof "; and".

(B) Section 1402(b)(1) of such Code is further amended by adding at the end thereof the following new subparagraphs:

"(F) for any taxable year ending after 1971 and before 1974, (i) \$9,000, minus (ii) the amount of the wages paid to such individual during the taxable year; and

"(G) for any taxable year ending in any calendar year after 1973, (i) an amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) effective for such calendar year, minus (ii) the amount of the wages paid to such individual during such taxable year, or".

(2) (A) Section 3121(a)(1) of such Code (relating to definition of wages) is amended

by striking out "\$7,800" each place it appears and inserting in lieu thereof "\$9,000".

(B) Effective with remuneration paid after 1973, section 3121(a)(1) of such Code is amended by (1) striking out "\$9,000" each place it appears and inserting in lieu thereof "the contribution and earnings base (as determined under section 230 of the Social Security Act)", and (2) striking out "by an employer during any calendar year", and inserting in lieu thereof "by an employer during the calendar year with respect to which such contribution and earnings base was effective".

(3) (A) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out "\$7,800" and inserting in lieu thereof "\$9,000".

(B) Effective with remuneration paid after 1973, the second sentence of section 3122 of such Code is amended by striking out "\$9,000" and inserting in lieu thereof "the contribution and earnings base".

(4) (A) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out "\$7,800" where it appears in subsections (a), (b), and (c) and inserting in lieu thereof "\$9,000".

(B) Effective with remuneration paid after 1973, the second sentence of section 3125 of such Code is amended by striking out "\$9,000" where it appears in subsections (a), (b), and (c) and inserting in lieu thereof "the contribution and earnings base".

(5) Section 6413(c)(1) of such Code (relating to special refunds of employment taxes) is amended—

(A) by inserting "and prior to the calendar year 1972" after "after the calendar year 1967".

(B) by inserting after "exceed \$7,800" the following: "or (E) during any calendar year after the calendar year 1971 and prior to the calendar year 1974, the wages received by him during such year exceed \$9,000, or (F) during any calendar year after 1973, the wages received by him during such year exceed the contribution and earnings base (as determined under section 230 of the Social Security Act) effective with respect to such year," and

(C) by inserting before the period at the end thereof the following: "and before 1972, or which exceeds the tax with respect to the first \$9,000 of such wages received in such calendar year after 1971 and before 1974, or which exceeds the tax with respect to the first amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) of such wages received in the calendar year after 1973 with respect to which such contribution and earnings base was effective".

(6) Section 6413(c)(2)(A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by—

(A) striking out "or \$7,800 for any calendar year after 1967" and inserting in lieu thereof "\$7,800 for the calendar years 1968, 1969, 1970 and 1971, or \$9,000 for the calendar year 1972 or 1973, or an amount equal to the contribution and earnings base (as determined under section 230 of the Social Security Act) for any calendar year after 1973 with respect to which such contribution and earnings base was effective".

(c) The amendments made by subsections (a) (1) and (a) (3)(A), and the amendments made by subsection (b) (except paragraph (1) thereof), shall apply only with respect to remuneration paid after December 1971. The amendments made by subsections (a) (2), (a) (3)(B), and (b) (1) shall apply only with respect to taxable years ending after 1971. The amendment made by

subsection (a) (4) shall apply only with respect to calendar years after 1971.

AUTOMATIC ADJUSTMENT OF EARNINGS BASE

SEC. 7. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"AUTOMATIC ADJUSTMENT OF EARNINGS BASE

"SEC. 230. (a) On or before October 1 of 1972, and each even-numbered year thereafter, the Secretary shall determine and publish in the Federal Register the contribution and earnings base (as defined in subsection (b)) for the two calendar years succeeding the calendar year following the year in which the determination is made.

"(b) The contribution and earnings base for a particular calendar year shall be whichever of the following is the larger.

"(1) the product of \$9,000 and the ratio of (A) the average taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of the calendar year in which a determination under subsection (a) is made for such particular calendar year to (B) the average of the taxable wages of all persons for whom taxable wages were reported to the Secretary for the first calendar quarter of 1971; such product, if not a multiple of \$600, shall be rounded to the nearest multiple of \$600, or

"(2) the contribution and earnings base for the calendar year preceding such particular calendar year."

"(b) That part of section 215(a) of the Social Security Act which precedes the table is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "or the amount equal to his primary insurance amount upon which such disability insurance benefit is based if such primary insurance amount was determined under paragraph (5); or", and by inserting after paragraph (4) the following:

"(5) If such insured individual's average monthly wage (as determined under subsection (b)) exceeds \$750, the amount equal to the sum of (A) \$54.48 and (B) 28.47 per centum of such average monthly wage; such sum, if it is not a multiple of \$1, shall be rounded to the nearest multiple of \$1."

"(c) So much of section 203(a) as precedes paragraph (2) is amended to read as follows:

"Sec. 203. (a) Whenever the total of monthly benefits to which individuals are entitled under sections 202 and 223 for a month on the basis of the wages and self-employment income of an insured individual exceeds the larger of: (I) the amount appearing in column V of the table in section 215(a) on the line on which appears in column IV such insured individual's primary insurance amount, and (II) the amount which is equal to the sum of \$180 and 40 per centum of the highest average monthly wage (as determined under section 215(b)), which will produce the primary insurance amount of such individual (as determined under section 215(a)(5)), such total of monthly benefits to which such individuals are entitled shall be reduced to the larger amount determined under (I) or (II) above, whichever is applicable; except that—

"(1) when any such individuals so entitled would (but for the provisions of section 202(k)(2)(A)) be entitled to child's insurance benefits on the basis of the wages and self-employment income of one or more other insured individuals, such total benefits shall not be reduced to less than the larger of:

"(A) the sum of the maximum amounts of benefits payable on the basis of the wages and self-employment income of all such in-

sured individuals, but not more than the last figure in column V of the table appearing in section 215(a), and

"(B) the amount determined under clause (II) for the highest primary insurance amount of any insured individual (if such primary insurance amount is determined under section 215(a)(15))."

(d) (1) Section 201(c) of the Social Security Act is amended by inserting before the last sentence the following sentence: "The report shall further include a recommendation as to the appropriateness of the tax rates in sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1954, which will be in effect for the following calendar year; this recommendation shall be made in the light of the need for the estimated income in relationship to the estimated outgo of the Trust Funds during such year."

(2) Section 1817(b) of such Act is amended by inserting before the last sentence the following sentence: "The report shall further include a recommendation as to the appropriateness of the tax rates in sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1954, which will be in effect for the following calendar year; this recommendation shall be made in the light of the need for the estimated income in relationship to the estimated outgo of the Trust Fund during such year."

(e) The amendments made by subsections (b) and (c) shall apply with respect to monthly benefits for months after December 1973 and with respect to lump-sum death payments under such title in the case of deaths occurring after 1973.

CHANGES IN TAX SCHEDULES

SEC. 8. (a) (1) Section 1401(a) of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income for purposes of old-age survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4), and inserting in lieu thereof the following:

"(1) in the case of any taxable year beginning after December 31, 1969, and before January 1, 1975, the tax shall be equal to 6.3 percent of the amount of the self-employment income for such taxable year;

"(2) in the case of any taxable year beginning after December 31, 1974, and before January 1, 1977, the tax shall be equal to 6.9 percent of the amount of the self-employment income for such taxable year; and

"(3) in the case of any taxable year beginning after December 31, 1976, the tax shall be equal to 7.0 percent of the amount of the self-employment income for such taxable year."

(2) Section 3101(a) of such Code (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"(1) with respect to wages received during the calendar years 1970, 1971, 1972, 1973 and 1974, the rate shall be 4.2 percent;

"(2) with respect to wages received during the calendar years 1975 and 1976, the rate shall be 4.6 percent;

"(3) with respect to wages received during the calendar years 1977, 1978, and 1979, the rate shall be 4.8 percent;

"(4) with respect to wages received during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 4.9 percent; and

"(5) with respect to wages received after December 31, 1986, the rate shall be 5.0 percent."

(3) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs

(1), (2), (3), and (4) and inserting in lieu thereof the following:

"(1) with respect to wages paid during the calendar years 1970, 1971, 1972, 1973 and 1974, the rate shall be 4.2 percent;

"(2) with respect to wages paid during the calendar years 1975 and 1976, the rate shall be 4.6 percent;

"(3) with respect to wages paid during the calendar years 1977, 1978, and 1979, the rate shall be 4.8 percent;

"(4) with respect to wages paid during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 4.9 percent; and

"(5) with respect to wages paid after December 31, 1986, the rate shall be 5.0 percent."

(b) (1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) inserting in lieu thereof the following:

"(1) in the case of any taxable year beginning after December 31, 1969, and before January 1, 1971, the tax shall be equal to 0.60 percent of the amount of the self-employment income for such taxable year; and

"(2) in the case of any taxable year beginning after December 31, 1970, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(1) with respect to wages received during the calendar year 1970, the rate shall be 0.60 percent; and

"(2) with respect to wages received after December 31, 1970, the rate shall be 0.90 percent."

(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (1), (2), (3), (4), and (5) and inserting in lieu thereof the following:

"(1) with respect to wages paid during the calendar year 1970, the rate shall be 0.60 percent; and

"(2) with respect to wages paid after December 31, 1970, the rate shall be 0.90 percent."

(c) The amendment made by subsections (a) (1) and (b) (1) shall apply only with respect to taxable years beginning after December 31, 1969. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1969.

AGE-62 COMPUTATION POINT FOR MEN

SEC. 9. (a) Section 214(a) (1) of the Social Security Act is amended by striking out "before—" and by striking out all of subparagraphs (A), (B), and (C) and by inserting in lieu thereof "before the year in which he died or (if earlier) the year in which he attained age 62."

(b) Section 215(b) (3) of such Act is amended by striking out "before—" and all of subparagraphs (A), (B), and (C) and by inserting in lieu thereof "before the year in which he died or, if it occurred earlier but after 1960, the year in which he attained age 62."

(c) Section 215(f) of such Act is amended by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) In the case of an individual who is entitled to monthly benefits for a month after December 1971, on the basis of the wages and self-employment income of an insured individual who prior to January 1972 became entitled to benefits under section

202(a), became entitled to benefits under section 223 after the year in which he attained age 62, or died in a year after the year in which he attained age 62, the Secretary shall, notwithstanding paragraphs (1) and (2), recompute the primary insurance amount of such insured individual. Such recomputation shall be made under whichever of the following alternative computation methods yields the higher primary insurance amount:

"(A) the computation methods of this section, as amended by the Social Security Amendments of 1969, which would be applicable in the case of an insured individual who attained age 62 after December 1971, or

"(B) under the provisions in subparagraph (A) (but without regard to the limitation, 'but after 1960' contained in paragraph (3) of subsection (b)), except that for any such recomputation, when the number of an individual's benefit computation years is less than 5, his average monthly wage shall, if it is in excess of \$400, be reduced to such amount."

(d) Section 223(a) (2) of such Act is amended by—

(1) striking out "(if a woman) or age 65 (if a man)";

(2) striking out "in the case of a woman" and inserting in lieu thereof "in the case of an individual," and

(3) striking out "she" and inserting in lieu thereof "he".

(e) Section 223(c) (1) (A) is amended by striking out "(if a woman) or age 65 (if a man)".

(f) The amendments made by the preceding subsections of this section shall apply with respect to monthly benefits under title II of the Social Security Act for months after December 1971 and with respect to lump-sum death payments made in the case of an insured individual who died after such month.

(g) Sections 209(1), 216(1) (3) (A) and 213 (a) (2) of the Social Security Act are amended by striking out "(if a woman) or age 65 (if a man)".

ENTITLEMENT TO CHILD'S INSURANCE BENEFITS BASED ON DISABILITY WHICH BEGAN BETWEEN 18 AND 22

SEC. 10. (a) Clause (ii) of section 202(d) (1) (B) of the Social Security Act is amended by striking out "which began before he attained the age of 18" and inserting in lieu thereof "which began before he attained the age of 22".

(b) Subparagraphs (F) and (G) of section 202(d) (1) of such Act are amended to read as follows:

"(F) if such child was not under a disability (as so defined) at the time he attained the age of 18, the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22,

but only if he was not under a disability (as so defined) in such earlier month; or

"(G) if such child was under a disability (as so defined) at the time he attained the age of 18, or if he was not under a disability (as so defined) at such time but was under a disability (as so defined) at or prior to the time he attained (or would attain) the age of 22, the third month following the month in which he ceases to be under such disability or (if later) the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22,

but only if he was not under a disability (as so defined) in such earlier month."

(c) Section 202(d) (1) of such Act is further amended by adding at the end thereof

the following new sentence: "No payment under this paragraph may be made to a child who would not meet the definition of disability in section 223(d) except for paragraph (1)(B) thereof for any month in which he engages in substantial gainful activity."

(d) Paragraph (6) of section 202(d) is amended by striking out "in which he is a full-time student and has not attained the age of 22" and all that follows and inserting in lieu thereof "in which he—

"(A) (i) is a full-time student or (ii) is under a disability (as defined in section 223(d)), and

"(B) had not attained the age of 22, but only if he has filed application for such re-entitlement. Such reentitlement shall end with the month preceding whichever of the following first occurs:

"(C) the first month in which an event specified in paragraph (1)(D) occurs; or

"(D) the earlier of (i) the first month during no part of which he is a full-time student or (ii) the month in which he attains the age of 22, but only if he is not under a disability (as so defined) in such earlier month; or

"(E) if he was under a disability (as so defined), the third month following the month in which he ceases to be under such disability or (if later) the earlier of—

"(i) the first month during no part of which he is a full-time student, or

"(ii) the month in which he attains the age of 22."

(e) Section 202(s) of such Act is amended—

(1) by striking out "before he attained such age" in paragraph (1) and inserting in lieu thereof "before he attained the age of 22"; and

(2) by striking out "before such child attained the age of 18" in paragraphs (2) and (3) and inserting in lieu thereof "before such child attained the age of 22".

(f) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under section 202 of the Social Security Act for months after December 1970, except that in the case of an individual who was not entitled to a monthly benefit under such section for December 1970, such amendments shall apply only on the basis of an application filed after September 30, 1970.

ALLOCATION TO DISABILITY INSURANCE TRUST FUND

SEC. 11. (a) Section 201(b)(1) of the Social Security Act is amended by—

(1) striking out "and" at the end of clause (B);

(2) striking out "1967, and so reported," and inserting in lieu thereof the following: "1967, and before January 1, 1970, and so reported, and (D) 1.05 per centum of the wages (as so defined) paid after December 31, 1969, and so reported,".

(b) Section 201(b)(2) of such Act is amended by

(1) striking out "and" at the end of clause (B);

(2) striking out "1967" and inserting in lieu thereof the following: "1967, and before January 1, 1970, and (D) 0.7875 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969,".

WAGE CREDITS FOR MEMBERS OF THE UNIFORMED SERVICES

SEC. 12. (a) Subsection 229(a) of such Act is amended by—

(1) striking out "after December 1967," and inserting in lieu thereof "after December 1970";

(2) striking out "after 1967" and inserting in lieu thereof "after 1968"; and

(3) striking out all of paragraphs (1), (2), and (3), and inserting in lieu thereof "\$300".

(b) The amendments made by subsection (a) shall apply with respect to monthly benefits payable under title II of the Social Security Act for months after December 1970 and with respect to lump-sum death payments in the case of deaths occurring after December 1970, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 229 applies, to monthly benefits under title II of such Act for December 1970, such amendments shall apply (A) only if an application for recomputation by reason of such amendments is filed by such individual, or any other individual, entitled to benefits under such title II on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following is later: December 1970 or the twelfth month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215(f)(1) of the Social Security Act; but no such recomputation shall be regarded as a recomputation for purposes of section 215(f) of such act.

PARENT'S INSURANCE BENEFITS IN CASE OF RETIRED OR DISABLED WORKER

SEC. 13. (a) Paragraphs (1) and (2) of section 202 (h) of the Social Security Act are amended to read as follows:

"(1) Every parent (as defined in this subsection) of an individual entitled to old-age or disability insurance benefits, or of an individual who died a fully insured individual, if such parent—

"(A) has attained age 62,

"(B) was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary, from such individual—

"(i) if such individual is entitled to old-age or disability insurance benefits, at the time he became entitled to such benefits,

"(ii) if such individual has died, at the time of such death, or

"(iii) if such individual had a period of disability which continued until he became entitled to old-age or disability insurance benefits, or (if he had died) until the month of his death, at the beginning of such period of disability,

and has filed proof of such support within two years after the month in which such individual filed application with respect to such period of disability, became entitled to such benefits, or died, as the case may be,

"(C) is not entitled to old-age or disability insurance benefits, or is entitled to such benefits, each of which is (i) less than 50 percent of the primary insurance amount of such individual if such individual is entitled to old-age or disability insurance benefits, or (ii) less than 82½ percent of the primary insurance amount of such individual if such individual is deceased, and if the amount of the parent's insurance benefit for such month is determinable under paragraph (2) (A) (or 75 percent of such primary insurance amount in any other case),

"(D) has not married since the time with respect to which the Secretary determines, under subparagraph (B) of this paragraph, that such parent was receiving at least one-half of his support from such individual, and

"(E) has filed application for parent's insurance benefits,

shall be entitled to a parent's insurance benefit for each month, beginning with the first month in which such parent becomes so entitled to such parent's insurance benefits and ending with the month preceding the first month in which any of the following occurs—

"(F) such parent dies or marries, or

"(G) (i) if such individual is entitled to old-age or disability insurance benefits, such

parent becomes entitled to an old-age or disability insurance benefit based on a primary insurance amount which is equal to or exceeds one-half of the primary insurance amount of such individual, or (ii) if such individual has died, such parent becomes entitled to an old-age or disability insurance benefit which is equal to or exceeds 82½ percent of the primary insurance amount of such deceased individual if the amount of the parent's insurance benefit for such month is determinable under paragraph (2) (A) (or 75 percent of such primary insurance amount in any other case), or

"(H) such individual, if living, is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits.

"(2) (A) Except as provided in subparagraphs (B) and (C), such parent's insurance benefit for each month shall be equal to—

"(i) if the individual on the basis of whose wages and self-employment income the parent is entitled to such benefit has not died prior to the end of such month, one-half of the primary insurance amount of such individual for such month, or

"(ii) if such individual has died in or prior to such month, 82½ percent of the primary insurance amount of such deceased individual;

"(B) For any month for which more than one parent is entitled to parent's insurance benefits on the basis of the wages and self-employment income of an individual who died in or prior to such month, such benefit for each such parent for such month shall (except as provided in subparagraph (C)) be equal to 75 percent of the primary insurance amount of such deceased individual;

"(C) In any case in which—

"(i) any parent is entitled to a parent's insurance benefit for a month on the basis of the wages and self-employment income of an individual who died in or prior to such month, and

"(ii) another parent of such deceased individual is entitled to a parent's insurance benefit for such month on the basis of such wages and self-employment income, and on the basis of an application filed after such month and after the month in which the application for the parent's insurance benefits referred to in clause (i) was filed,

the amount of the parent's insurance benefit of the parent referred to in clause (i) for the month referred to in such clause shall be determined under subparagraph (A) instead of subparagraph (B) and the amount of the parent's insurance benefit of the parent referred to in clause (ii) for such month shall be equal to 150 percent of the primary insurance amount of such individual minus the amount (before the application of section 203(a)) of the benefit for such month of the parent referred to in clause (i)."

(b) Section 202(q) of such Act is amended by—

(1) inserting in paragraph (1) after "husband's," the following: "parent's," and by striking out in such paragraph (1) "or husband's" and inserting in lieu thereof "husband's, or parent's";

(2) inserting in paragraph (3) after "husband's," wherever it appears the following: "parent's," and by striking out in such paragraph (3) "or husband's" wherever it appears and inserting in lieu thereof "husband's, or parent's";

(3) inserting in paragraph (6) after "husband's," wherever it appears the following: "parent's,"; and by striking out in such paragraph (6) "or husband's" wherever it appears and inserting in lieu thereof "husband's, or parent's";

(4) inserting in paragraph (7) after "husband's," the following: "parent's," and by striking out "or husband's" and inserting in lieu thereof "husband's, or parent's"; and

(5) adding at the end thereof the following new paragraph:

"(10) For purposes of this subsection, 'parent's insurance benefits' means benefits payable under this section to a parent on the basis of the wages and self-employment income of an individual entitled to old-age insurance benefits or disability insurance benefits."

(c) Section 202(r) of such Act is amended—

(1) by striking out "or Husband's" in the heading and inserting in lieu thereof, "Husband's, or Parent's"; and

(2) by striking out "or husband's" each time it appears in paragraphs (1) and (2) and inserting in lieu thereof, "husband's, or parent's".

(d) Section 203(d)(1) of such Act is amended by striking out "or child's" wherever it appears and inserting in lieu thereof "child's, or parent's" and by striking out "or child" and inserting in lieu thereof "child, or parent".

(e) Subparagraph (C) of section 202(q) of such Act is amended—

(1) by striking out "wife's or husband's increase benefits" and inserting in lieu thereof "wife's, husband's, or parent's insurance benefits"; and

(2) by striking out "the spouse" and inserting in lieu thereof "the individual".

(f) Section 222(b)(3) of such Act is amended—

(1) by striking out "husband's, or child's" wherever it appears and inserting in lieu thereof "husband's, parent's, or child's"; and

(2) by striking out "husband, or child" and inserting in lieu thereof "husband, parent, or child".

(g) Where—

(1) one or more persons were entitled (without the application of section 202(j) (1) of the Social Security Act) to monthly benefits under section 202 or 223 of such Act for December 1970 on the basis of the wages and self-employment income of an individual, and

(2) one or more persons are entitled to monthly benefits for January 1971 solely by reason of this section on the basis of such wages and self-employment income, and

(3) the total of benefits to which all persons are entitled under such section 202 or 223 on the basis of such wages and self-employment income for January 1971 is reduced by reason of section 203(a) of such Act, as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced), then the amount of the benefit to which each person referred to in paragraph (1) of the subsection is entitled for months after December 1970 shall be increased, after the application of such section 203(a), to the amount it would have been if the person or persons referred to in paragraph (2) were not entitled to a benefit referred to in such paragraph (2).

(h) The amendments made by this section shall apply only with respect to monthly insurance benefits payable under section 202 of the Social Security Act for months after December 1970 and only on the basis of an application filed after September 30, 1970.

(i) The requirement in section 202(h)(1) (B) of the Social Security Act that proof of support be filed within two years after a specified date in order to establish eligibility for parent's insurance benefits shall, insofar as such requirement applies to cases where applications under such subsection are filed by parents on the basis of the wages and self-employment income of an individual entitled to old-age or disability insurance benefits, not apply if such proof of support is filed within two years after the date of enactment of this Act.

INCREASED WIDOW'S AND WIDOWER'S INSURANCE BENEFITS

SEC. 14. (a) Subsection (e) of section 202 of the Social Security Act is amended as follows:

(1) Paragraphs (1) and (2) of such subsection are amended by striking out "82½ percent of" wherever it appears.

(2) Paragraph (5) of such subsection is amended by striking out "60" and inserting in lieu thereof "65".

(b) Subsection (f) of section 202 of such Act is amended as follows:

(1) Paragraphs (1) and (3) of such subsection are amended by striking out "82½ percent of" wherever it appears.

(2) Paragraph (6) of such subsection is amended by striking out "62" and inserting in lieu thereof "65".

(c) (1) The last sentence of subsection (c) of section 203 of such Act is amended by striking out all that follows the semicolon and inserting in lieu thereof the following: "nor shall any deduction be made under this subsection from any widow's insurance benefit for any month in which the widow or surviving divorced wife is entitled and has not attained age 65 (but only if she became so entitled prior to attaining age 60), or from any widower's insurance benefit for any month in which the widower is entitled and has not attained age 65 (but only if he became so entitled prior to attaining age 62)."

(2) Subparagraph (D) of section 203(f) (1) of such Act is amended to read as follows:

"(D) for which such individual is entitled to widow's insurance benefits and has not attained age 65 (but only if she became so entitled prior to attaining age 60), or widower's insurance benefits and has not attained age 65 (but only if he became so entitled prior to attaining age 62), or"

(d) Subsection (q) of section 202 of such Act, as amended by this Act, is further amended as follows:

(1) That part of paragraph (1) of such subsection which precedes subparagraph (C) is amended to read as follows:

"(q) (1) If the first month for which an individual is entitled to an old-age, wife's, husband's, parent's, widow's, or widower's insurance benefit is a month before the month in which such individual attains retirement age, the amount of such benefit for each month shall, subject to the succeeding paragraphs of this subsection, be reduced—

"(A) for each month of such entitlement within the 36-month period immediately preceding the month in which such individual attains retirement age, by

"(i) five-ninths of 1 percent of such amount if such benefit is an old-age insurance benefit, twenty-five thirty-sixths of 1 percent of such amount if such benefit is a wife's, husband's, or parent's insurance benefit, or thirty-five seventy-seconds of 1 percent of such amount if such benefit is a widow's or widower's insurance benefit, multiplied by

"(ii) the number of such months in (I) the reduction period for such benefit (determined under paragraph (6) (A)), if such benefit is for a month before the month in which such individual attains retirement age, or (II) the adjusted reduction period for such benefit (determined under paragraph (7)), if such benefit is for the month in which such individual attains retirement age or for any month thereafter, and—

"(B) for each month of the 24-month period for which a widow, or widower, is entitled to a widow's or widower's insurance benefit immediately preceding the month in which such individual attains age 62, the amount of such individual's widow's or widower's benefit as reduced under subparagraph (A) shall be further reduced by—

"(i) five-ninths of 1 percent of such reduced benefit, multiplied by

"(ii) the number of such months in (I) the reduction period for such benefit, if such benefit is for a month before the month in which such individual attains age 62, or (II) the adjusted reduction period for such benefit (determined under paragraph (7)), if such benefit is for the month in which such individual attains retirement age or for any month thereafter.

"A widow's or widower's insurance benefit reduced pursuant to the preceding sentence shall be further reduced by—"

(2) Paragraph (2) of such subsection is amended by striking out "paragraphs (1) and (4)" and inserting in lieu thereof "paragraphs (1), (3), and (4)".

(3) Paragraph (3) of such subsection is amended by—

(A) striking out subparagraph (F), and
(B) redesignating subparagraph (G) as subparagraph (F), striking out of such subparagraph (F), striking out of such subparagraph (F) "when such first month occurs before the month in which such individual attains the age of 62", and striking out "age 62" and inserting in lieu thereof "age 65".

(4) Paragraph (9) of such subsection is amended to read as follows:

"(9) For purposes of this subsection, the term 'retirement age' means age 65."

(e) Subsection (r) of section 202 of such Act, as amended by this Act, is further amended as follows:

(1) by striking out "Husband's, or Parent's" in the heading and inserting in lieu thereof "Husband's, Parent's, Widow's, or Widower's"; and

(2) by striking out "husband's, or parent's" each time it appears in paragraphs (1) and (2) and inserting in lieu thereof "husband's, parent's, widow's, or widower's".

(f) In the case of an individual who is entitled (without the application of section 202(j) (1) and 223(b)) to widow's or widower's insurance benefits for the month of December 1970, if such individual's entitlement to such benefits began with a month after the month he attained age 62, the Secretary shall redetermine the amount of such benefits under the provisions of this section as if these provisions had been in effect for the first month of such individual's entitlement to such benefits.

(g) The amendments made by this section shall be effective for monthly benefits for months after December 1970.

Mr. WILLIAMS of Delaware. Mr. President, the amendment I have offered is the administration bill as introduced in September. I shall discuss briefly the major differences between the administration bill and the measure which is pending before the Senate at this time.

I regret the way in which the circumstances have developed. I regret that we have a situation where we have to enact a measure of such importance on the floor of the Senate without committee hearings; and I also regret very much that we are considering social security along with a bill which started out to be a major tax reform bill—a tax reform which is long overdue. I wish very much we would have been able to confine this bill strictly to major tax reforms and then to have come along later to deal with social security after we had these matters settled. The same statement could be made in connection with some of the proposed tax reductions. I am fearful we are getting too far away from our original objective, which was tax reform.

Nevertheless, we have a social security

measure before us. It is a fact of life. All we can do is cope with that situation.

Therefore, on behalf of the minority members of the committee I am submitting the administration bill. The major differences in the proposals are as follows. As the Senator from Louisiana pointed out just a few moments ago, the proposal he introduced is comparable to the bill reported by the Ways and Means Committee, and it provides for a flat 15 percent.

Mr. BYRD of West Virginia. Mr. President, may we have order? I cannot hear the Senator.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Delaware may proceed.

Mr. WILLIAMS of Delaware. Mr. President, the provision in the proposal offered by the Senator from Louisiana is for a flat 15-percent increase across the board effective January 1, whereas the administration bill provides for a 10-percent increase effective in March. The payments could begin to be made in April of 1970, and, as with the earlier effective date on the measure of the Senator from Louisiana, there would be a retroactive feature for January and February included.

As to the method of financing the measure which is before us, the measure I have submitted does provide adequate financing for the benefits that are added to the bill.

I might say that historically it has always been the policy, more or less the unwritten law, of the Ways and Means Committee and the Committee on Finance that they would never support a social security bill providing for increases unless those increases were accompanied by methods to finance the benefits being approved at that time.

As I understand, there is no precedent for an action such as the measure that is before us today where there would be a major increase in Social Security benefits with no method of financing. It is merely postponing the day of reckoning.

My measure would finance the benefits in this manner: Beginning in 1972 it would raise the wage base from \$7,800 to \$9,000, but at the same time it had as an offset a reduction in the rates against this wage base increase. Under existing law, beginning in 1971 and 1972 the wage rates would be 10.4 percent on the \$7,800, but since we are raising the base we would drop those rates to 10.2 percent. This is a combined rate for both the employer and the employee, or 5.1 percent for each.

In 1972 and 1973 under the existing law the rate would be 11.3 percent on the \$7,800 base. Our bill would drop that rate to 10.2 percent with this higher wage base.

In 1974 and 1975 it would drop the rate from 11.3 to 11 percent; and in 1976 under existing law it goes to 11.4 percent. We drop it to 11 percent.

The net effect would be higher taxes to pay for the benefits under the bill.

Now, in order to have 10-percent benefits across the board this amendment

also provides something that is very important to those who live on social security pensions, something they have been advocating for a long time; and that is built-in permanent cost-of-living increases so that as the cost of living goes up 3 percentage points the social security automatically would go up 3 percentage points.

Since the last social security increase the cost of living has gone up slightly over 9 percent, which means that had this provision been in effect retroactively those persons today would be enjoying an increase of 9.1 percent in benefits.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Delaware yield for a question?

Mr. WILLIAMS of Delaware. I yield. Mr. BYRD of West Virginia. Did I correctly understand the Senator to say that under the perfecting amendment which he is offering, the increases in social security payments would be automatically tied to the cost-of-living increase?

Mr. WILLIAMS of Delaware. That is correct. Somewhat comparable to the manner of the civil service and other retirement funds.

Mr. BYRD of West Virginia. What is the overall increase?

Mr. WILLIAMS of Delaware. It is 10 percent.

Mr. BYRD of West Virginia. By what amount is the minimum payment increased?

Mr. WILLIAMS of Delaware. It is 10 percent. Just the same as in the other bill—it is increased 15 percent.

Mr. BYRD of West Virginia. I thank the Senator from Delaware.

Mr. WILLIAMS of Delaware. But there are other benefits which are in the administration bill to which I call attention in addition to the automatic cost-of-living increase.

For example, the income retirement test under existing law is \$1,680. With an individual under existing law who is earning above \$1,680 and drawing social security, on earnings between \$1,680 and \$2,880 they take back \$1 for every \$2 he earns and after that \$2,880 figure is reached, they take back all a man's earnings until they recover the full social security benefits.

Under my amendment the earnings test is raised from \$1,680 to \$1,800, and the same one for two rule applies but without the cutoff in the \$2,880, which makes it less harsh as to recapture. That is part of the additional cost of the bill, all of which is compensated in the increased wage base—

Mr. BYRD of West Virginia. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. BYRD of West Virginia. At the present time, the minimum paid is \$55 for a single individual, is that not correct.

Mr. WILLIAMS of Delaware. That is correct.

Mr. BYRD of West Virginia. Under

the perfecting amendment being offered by the Senator from Delaware, as I understand it, the minimum payment would be increased by 10 percent?

Mr. WILLIAMS of Delaware. Yes; 10 percent.

Under the bill offered by the Senator from Louisiana it would be increased 15 percent.

Mr. BYRD of West Virginia. I thank the Senator from Delaware.

Mr. WILLIAMS of Delaware. In addition, the hospital insurance under present law is inadequately financed, a situation recognized as such by all concerned. This pending amendment provides proper financing by raising the eventual tax rate from six-tenths of nine-tenths percent. Under existing law it goes to nine-tenths of 1 percent at some date in the projected future. We move to that nine-tenths of 1 percent immediately because it is needed in order to keep the fund solvent now.

There is also an additional benefit under the bill which is not embraced in the Long amendment, which provides 15 percent across the board. Under existing law a widow's benefits are reduced to 82½ percent of the pension that her husband was receiving. This amendment would change that and allow a widow as the survivor to get 100 percent of the benefits her husband was drawing. The increased widow benefits and the increase in the retirement test, as well as the escalation clause, in my opinion far outweigh much of the difference in the 5 percent variation.

But what is equally if not more important is that we have a bill here which is properly financed, so that those on social security today can look forward, knowing that the fund is being adequately financed by Congress and that they are guaranteed that amount for the remainder of their lives.

It seems to me that is very important to those living on retirement pensions. It is also important that the amount of the pensions they are receiving will be increased, yes; but what is even more important is that they will be given assurance that that which they are drawing today they can expect for the remainder of their lives, whether they live to be 75, 80, 90, or 100 years old.

Certainly the assurance that this fund is being kept actuarially solvent and that Congress will not tinker with it for political or any other reasons by voting an increase which is not properly financed seems to me to be an assurance that is worth more than any false hope that they are getting an increase.

The benefit to widows, as I said, and the increased earnings test offset much of the differential, but above all it would be well for Congress, if we are going to raise social security benefits, that we stand by the principle that has been in effect ever since the first day social security was enacted; that is, that whenever Congress raises benefits at the same time and in the same bill, there will be provided the increased taxes in whatever amounts are necessary to finance the benefits that have been approved.

That sound policy has been recommended by every administration that has been in power heretofore.

Sound financing has been recommended by every Secretary of Health, Education, and Welfare that has ever testified before a committee, including the able Senator from Connecticut (Mr. RIBICOFF), who is recognized as one of the most able Secretaries of Health, Education, and Welfare. All of them have insisted, when they were before committees, that under no circumstances should Congress vote benefits for which it is not willing to pay. We should stand by that principle. I hope that this substitute will be adopted.

Therefore, I and other members of the committee have said that we had hoped we could include provisions in a social security bill that would correct some of the discovered abuses in the medicare program, but I have not attempted to deal with those here. I do not think that we could propose them here on the Senate floor. There is no difference of opinion, I might say, on the part of myself and the chairman of the committee or any other members of the committee but that this is an area that does need our attention, and it is going to get the attention of the committee. I am confident that no matter what we can do on this bill it will still be given our attention at a later date. Since we are going to have to vote today I think the very least we can do is to approve an actuarially solvent benefits plan, one which will give benefits where they are needed the most, and that is in the low income brackets. They are the ones hit by this income test. Of course, the widows, likewise, are benefited.

I am not arguing or trying to argue that there is not a difference; certainly the 15 percent is more attractive than the 10 percent. There is no argument about that. Twenty percent is more attractive than 15 percent, and 25 percent is more attractive than 20 percent.

But there is a limit as to what we can do. I think, whether it be 15 or 10 percent, or whatever percentage it is, those who vote for it should at least include the method to pay for it; otherwise, we are only holding out a false promise.

Mr. PROUTY. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PROUTY. I am sorry that I cannot support the Senator. I appreciate how sincere he is. I should like to point out—and I will do it more in detail later on—that the surplus in the social security fund at the end of fiscal year 1969 was \$32 billion. At the end of fiscal 1970, the income will be \$35.2 billion. The outflow, \$2.85 billion, the gain, \$6.7 billion. The surplus will be, at the end of June 30, 1970, \$38.7 billion. And when we get up to 1973, we will have a surplus of \$75.3 billion.

All the actuaries have told us that this is perfectly proper and sound financing. I have offered an amendment which is now at the desk, which I do not intend to call up at this time, which provides for a \$90 minimum and a 10-percent across-the-board increase.

Mr. WILLIAMS of Delaware. Could I answer that point first, because it seems the Senator wants to make a speech. The figures he quotes are figures that are based upon assumptions which will not develop under the proposal of the Senator from Louisiana.

Mr. PROUTY. They were given to me by the social security actuaries.

Mr. WILLIAMS of Delaware. But that is based upon the assumption which I will explain to the Senator; namely, the assumption that they will accept the recommendations of President Johnson and President Nixon providing an increase in the wage base to increase the tax. What the Senator has done is take the figures that would result from those increases, but his amendment has eliminated the increases. The Senator is living in a dream world.

Mr. PROUTY. Well, I will discuss that in more detail later.

Mr. WILLIAMS of Delaware. I respect that, but nevertheless the distinguished Senator is taking credit for taxes which are not proposed in his bill.

Mr. PROUTY. As a matter of fact, the cost of the Long amendment is 1.24 of that—that is payroll—under the Williams amendment it is 1.25; and the one which I shall offer later, if the amendment of the Senator from Delaware fails—would raise the minimum through 1970 at 1.30.

Mr. WILLIAMS of Delaware. The Senator is correct as to the cost, but the point is that in the amendment which I have offered we have included a tax to cover that cost. The point I am making is that in the amendment offered by the Senator from Louisiana and the Senator from Vermont no tax provision has been included. A tax is not any good until it is provided for in the bill, and it is not a part of the amendment of the Senator from Louisiana now pending.

If it is put on a pay-as-you-go basis today's wage earners are being charged for benefits to be passed on to those who retired before. If that is what Senators want to do, let us face it, and tell these young men and women in the 28-, 30-, and 40-year-age brackets that we are spending their money as fast as they are putting it in the trust fund. That is the point I am making.

The committee heretofore has tried to maintain some degree of solvency under the social security system. It was a rule—although there is no law to that effect—that for safety reasons there should be a reserve adequate to pay the benefits for 4 to 5 years. In other words, the fund should be maintained to provide the equivalent of four to five times the annual benefits. Right now the fund is down to the point where it is barely adequate to pay benefits for 12 months. That is a dangerously low level.

The reason why it is a dangerously low level is that we may run into a period of recession. We have had them before, and we may have them again; and we will certainly have them again if we continue such irresponsible actions as we have had in Congress in the last few days. In a period of recession, rising unemploy-

ment will result in fewer contributions to the trust fund because it is based on contributions from wage earners. As unemployment increases the contributions from wage earners decrease; but more people who are eligible go into retirement, and the outgo increases. So in a period of any kind of recession the outgo will increase substantially, and the income will drop. That is why we have to have some reserve.

Mr. PROUTY. Nobody disagrees with the need for having a reserve, but we are building up a tremendous reserve. By 1973 we will have a surplus of \$75.3 billion.

Mr. WILLIAMS of Delaware. We will not have a surplus of \$75.3 billion.

Mr. PROUTY. I have to rely on the actuaries. I am not relying on my own figures.

Mr. WILLIAMS of Delaware. I do not know which actuaries.

Mr. PROUTY. Mr. Myers, the chief actuary for the Social Security Administration, and another actuary who has been working closely with the Finance Committee of the Senate and the Ways and Means Committee of the House.

Mr. WILLIAMS of Delaware. I never heard of those figures being presented to the committee.

Mr. JORDAN of Idaho. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. JORDAN of Idaho. The Senator's amendment provides for a 10-percent increase, plus an adjustment tied to the increase in the cost of living. Is that correct?

Mr. WILLIAMS of Delaware. That is correct.

Mr. JORDAN of Idaho. As contrasted with the amendment which the Senator from Delaware would amend of a straight 15-percent increase, with no escalator clause tied to the increase in cost of living.

Mr. WILLIAMS of Delaware. That is correct. In addition to that the amendment which we had submitted also raises from \$1,580 to \$1,680 the amount of outside earnings allowed.

It also increases a widow's benefits from 82½ percent to 100 percent of what the husband was drawing.

Mr. JORDAN of Idaho. Did I understand the Senator to say that since the last increase in benefits under the social security system living costs have gone up over 9 percent?

Mr. WILLIAMS of Delaware. That is correct.

Mr. JORDAN of Idaho. Is it not entirely possible that a 10-percent increase with an escalator clause tied to the cost of living may be better than a straight 15-percent increase with none of the ancillary benefits the Senator has enumerated?

Mr. WILLIAMS of Delaware. Yes, it would be better because in addition to the side benefits I have mentioned it also provides for an automatic cost-of-living increase. It is soundly financed into the future because as the automatic cost-of-living increase is triggered into effect in the future, while it is going to mean an

extra cost for the fund, there is also triggered into effect an increase in the tax rate.

In other words, future increased benefits are tied into the increased cost of living, but there is also tied into it a permanent system of financing it, because when the cost of living goes up 3 percent and the benefits are accordingly increased 3 percent, there is triggered into effect an increased tax rate to finance the cost. Therefore, those under the social security system would know that not only are the benefits we are granting them today adequately financed but also the increased costs projected into the future are also financed.

We have also provided for financing of hospital insurance, which is underfinanced by all estimates.

Mr. JORDAN of Idaho. If the escalator provision had been in effect under the present social security law, recipients would be getting nearly 10 percent more than they are presently getting, and they would have had increases in their payments tied to the cost-of-living increases.

Mr. WILLIAMS of Delaware. Yes. As the cost of living increases 3 percent it would trigger into effect increased benefits of 3 percent.

Mr. President, I ask unanimous consent to have printed in the *Record* the message of the President relating to the social security bill.

There being no objection, the message was ordered to be printed in the *Record*, as follows:

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES TRANSMITTING PROPOSED REFORMS IN THE SOCIAL SECURITY SYSTEM, SEPTEMBER 25, 1969

To the Congress of the United States:

This nation must not break faith with those Americans who have a right to expect that Social Security payments will protect them and their families.

The impact of an inflation now in its fourth year has undermined the value of every Social Security check and requires that we once again increase the benefits to help those among the most severely victimized by the rising cost of living.

I request that the Congress remedy the real losses to those who now receive Social Security benefits by increasing payments by 10 per cent.

Beyond that step to set right today's inequity, I propose that the Congress make certain once and for all that the retired, the disabled and the dependent never again bear the brunt of inflation. The way to prevent future unfairness is to attach the benefit schedule to the cost of living.

This will instill new security in Social Security. This will provide peace of mind to those concerned with their retirement years, and to their dependents.

By acting to raise benefits now to meet the rise in the cost of living, we keep faith with today's recipients. By acting to make future benefit raises automatic with rises in the cost of living, we remove questions about future years; we do much to remove this system from biennial politics; and we make fair treatment of beneficiaries a matter of certainty rather than a matter of hope.

In the 34 years since the Social Security program was first established, it has become a central part of life for a growing number of Americans. Today approximately 25 mil-

lion people are receiving cash payments from this source. Three-quarters of these are older Americans; the Social Security check generally represents the greater part of total income. Millions of younger people receive benefits under the disability or survivor provisions of Social Security.

Almost all Americans have a stake in the soundness of the Social Security system. Some 92 million workers are contributing to Social Security this year. About 80 per cent of Americans of working age are protected by disability insurance and 95 per cent of children and mothers have survivorship insurance protection. Because the Social Security program is an essential part of life for so many Americans, we must continually re-examine the program and be prepared to make improvements.

Aiding in this Administration's review and evaluation is the Advisory Council on Social Security which the Secretary of Health, Education and Welfare appointed in May. For example, I will look to this Council for recommendations in regard to working women; changing work patterns and the increased contributions of working women to the system may make present law unfair to them. The recommendations of this Council and of other advisers, both within the Government and outside of it, will be important to our planning. As I indicated in my message to the Congress on April 14, improvement in the Social Security program is a major objective of this Administration.

There are certain changes in the Social Security program, however, for which the need is so clear that they should be made without awaiting the findings of the Advisory Council. The purpose of this message is to recommend such changes.

I propose an across-the-board increase of 10% in Social Security benefits, effective with checks mailed in April 1970, to make up for increases in the cost of living.

I propose that future benefits in the Social Security system be automatically adjusted to account for increases in the cost of living.

I propose an increase from \$1680 to \$1800 in the amount beneficiaries can earn annually without reduction in their benefits, effective January 1, 1971.

I propose to eliminate the one-dollar-for-one-dollar reduction in benefits for income earned in excess of \$2800 a year and replace it by a one dollar reduction in benefits for every two dollars earned, which now applies at earnings levels between \$1680 and \$2880, also effective January 1, 1971.

I propose to increase the contribution and benefit base from \$7800 to \$9000, beginning in 1972, to strengthen the system, to help keep future benefits to the individual related to the growth of his wages, and to meet part of the cost of the improved program. From then on, the base will automatically be adjusted to reflect wage increases.

I propose a series of additional reforms to ensure more equitable treatment for widows, recipients above age 72, veterans, for persons disabled in childhood and for the dependent parents of disabled and retired workers.

I emphasize that the suggested changes are only first steps, and that further recommendations will come from our review process.

The Social Security system needs adjustment now so it will better serve people receiving benefits today, and those corrections are recommended in this message. The system is also in need of long-range reform, to make it better serve those who contribute now for benefits in future years, and that will be the subject of later recommendations.

THE BENEFITS INCREASE

With the increase of 10%, the average family benefit for an aged couple, both receiving

benefits, would rise from \$170 to \$188 a month. Further indication of the impact of a 10 per cent increase on monthly benefits can be seen in the following table:

[In dollars]

	Present minimum	New minimum	Present maximum	New maximum
Single person (a man retiring at age 65 in 1970).....	55.00	61.00	165.00	181.50
Married couple (husband retiring at age 65 in 1970).....	82.50	91.50	247.50	272.30

The proposed benefit increases will raise the income of more than 25 million persons who will be on the Social Security rolls in April, 1970. Total budget outlays for the first full calendar year in which the increase is effective will be approximately \$3 billion.

AUTOMATIC ADJUSTMENTS

Benefits will be adjusted automatically to reflect increases in the cost of living. The uncertainty of adjustment under present laws and the delay often encountered when the needs are already apparent is unnecessarily harsh to those who must depend on Social Security benefits to live.

Benefits that automatically increase with rising living costs can be funded without increasing Social Security tax rates so long as the amount of earnings subject to tax reflects the rising level of wages. Therefore, I propose that the wage base be automatically adjusted so that it corresponds to increases in earnings levels.

These automatic adjustments are interrelated and should be enacted as a package. Taken together they will depoliticize, to a certain extent, the Social Security system and give a greater stability to what has become a cornerstone of our society's social insurance system.

REFORMING THE SYSTEM

I propose a series of reforms in present Social Security law to achieve new standards of fairness. These would provide:

1. An increase in benefits to a widow who begins receiving her benefit at age 65 or later. The benefit would increase the current 82½% of her husband's benefit to a full 100%. This increased benefit to widows would fulfill a pledge I made a year ago. It would provide an average increase of \$17 a month to almost three million widows.

2. Non-contributory earnings credits of about \$100 a month for military service from January, 1957 to December, 1967. During that period, individuals in military service were covered under Social Security but credit was not given for "wages in kind"—room and board, etc. A law passed in 1967 corrected this for the future, but the men who served from 1957 (when coverage began for servicemen) to 1967 should not be overlooked.

3. Benefits for the aged parents of retired and disabled workers. Under present law, benefits are payable only to the dependent parents of a worker who has died; we would extend this to parents of workers who are disabled or who retire.

4. Child's insurance benefits for life, if a child becomes permanently disabled before age 22. Under present law, a person must have become disabled before age 18 to qualify for these benefits. The proposal would be consistent with the payment of child's benefit to age 22 so long as the child is in school.

5. Benefits in full paid to persons over 72, regardless of the amount of his earnings in the year he attains that age. Under present

law, he is bound by often confusing tests which may limit his exemption.

6. A fairer means of determining benefits payable on a man's earnings record. At present, men who retire at age 62 must compute their average earnings through three years of no earnings up to age 65, thus lowering the retirement benefit excessively. Under this proposal, only the years up to age 62 would be counted, just as is now done for women, and three higher-earning years could be substituted for low-earning years.

CHANGES IN THE RETIREMENT TEST

A feature of the present Social Security law that has drawn much criticism is the so-called "retirement test," a provision which limits the amount that a beneficiary can earn and still receive full benefits. I have been much concerned about this provision, particularly about its effect on incentives to work. The present retirement test actually penalizes Social Security beneficiaries for doing additional work or taking a job at higher pay. This is wrong.

In my view, many older people should be encouraged to work. Not only are they provided with added income, but the country retains the benefit of their skills and wisdom; they, in turn, have the feeling of usefulness and participation which employment can provide.

This is why I am recommending changes in the retirement test. Raising the amount of money a person can earn in a year without affecting his Social Security payments—from the present \$1680 to \$1800—is an important first step. But under the approach used in the present retirement test, people who earned more than the exempt amount of \$1680, plus \$1200, would continue to have \$1 in Social Security benefits withheld for every \$1 received in earnings. A necessary second step is to eliminate from present law the requirement that when earnings reach \$1200 above the exempt amount, Social Security benefits will be reduced by a full dollar for every dollar of added earnings until all his benefits are withheld; in effect, we impose a tax of more than 100% on these earnings.

To avoid this, I would eliminate this \$1 reduction for each \$1 earned and replace it with the same \$1 reduction for each \$2 earned above \$3000. This change will reduce a disincentive to increase employment that arises under the retirement test in its present form.

The amount a retired person can earn and still receive his benefits should also increase automatically with the earnings level. It is sound policy to keep the exempt amount related to changes in the general level of earnings.

These alterations in the retirement test would result in added benefit payments of some \$300 million in the first full calendar year. Approximately one million people would receive this money—some who are now receiving no benefits at all and some who now receive benefits but who would get more under this new arrangement. These suggestions are not by any means the solution of all the problems of the retirement test, however, and I am asking the Advisory Council on Social Security to give particular attention to this matter.

CONTRIBUTION AND BENEFIT BASE

The contribution and benefit base—the annual earnings on which Social Security contributions are paid and that can be counted toward Social Security benefits—has been increased several times since the Social Security program began. The further increase I am recommending—from its present level of \$7800 to \$9000 beginning January 1, 1972—will produce approximately the same relationship between the base and general earn-

ings levels as that of the early 1950s. This is important since the goal of Social Security is the replacement, in part, of lost earnings; if the base on which contributions and benefits are figured does not rise with earnings increases, then the benefits deteriorate. The future benefit increases that will result from the higher base I am recommending today would help to prevent such deterioration. These increases would, of course, be in addition to those which result from the 10% across-the-board increase in benefits that is intended to bring them into line with the cost of living.

FINANCING

I recommend an acceleration of the tax rate scheduled for hospital insurance to bring the hospital insurance trust fund into actuarial balance. I also propose to decelerate the rate schedule of the old-age, survivors and disability insurance trust funds in current law. These funds taken together have a long-range surplus of income over outgo, which will meet much of the cost. The combined rate, known as the "social security contribution," already scheduled by statute, will be decreased from 1971 through 1976. Thus, in 1971 the currently scheduled rate of 5.2% to be paid by employees would become 5.1%, and in 1973 the currently scheduled rate of 5.65% would become 5.5%. The actuarial integrity of the two funds will be maintained, and the ultimate tax rates will not be changed in the rate schedules which will be proposed.

The voluntary supplementary medical insurance (SMI) of title XVIII of the Social Security Act, often referred to as part B Medicare coverage, is not adequately financed with the current \$4 premium. Our preliminary studies indicate that there will have to be a substantial increase in the premium. The Secretary of Health, Education, and Welfare will set the premium rate in December for the fiscal year beginning July 1970, as he is required to do by statute.

To meet the rising costs of health care in the United States, this Administration will soon forward a Health Cost Control proposal to the Congress. Other administrative measures are already being taken to hold down spiraling medical expenses.

In the coming months, this Administration will give careful study to ways in which we can further improve the Social Security program. The program is an established and important American institution, a foundation on which millions are able to build a more comfortable life than would otherwise be possible—after their retirement or in the event of disability or death of the family earner.

The recommendations I propose today, move the cause of Social Security forward on a broad front.

We will bring benefit payments up to date.

We will make sure that benefit payments stay up to date, automatically tied to the cost of living.

We will begin making basic reforms in the system to remove inequities and bring a new standard of fairness in the treatment of all Americans in the system.

And we will lay the groundwork for further study and improvement of a system that has served the country well and must serve future generations more fairly and more responsively.

RICHARD NIXON.

THE WHITE HOUSE, September 25, 1969.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BROOKE. Mr. President—

Mr. BYRD of West Virginia. Mr. President, will the Senator from Mas-

sachusetts yield, with the understanding that he will not lose the floor.

Mr. BROOKE. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that all time on the amendment be limited to 40 minutes, to be equally divided between the manager of the perfecting amendment (Mr. WILLIAMS of Delaware) and the manager of the bill (Mr. LONG).

Mr. BROOKE. Mr. President, reserving the right to object—

Mr. HOLLAND. Mr. President, reserving the right to object, my colleague and I are scheduled to attend a very vital conference, from which we cannot be back quite that soon.

Mr. PASTORE. The Senator from Louisiana (Mr. ELLENDER) has to catch a plane.

The PRESIDING OFFICER. Is there objection?

Mr. BROOKE. Mr. President, reserving the right to object—

Mr. HOLLAND. I am ready to vote right now.

Mr. WILLIAMS of Delaware. Mr. President, I suggest that the Senator go ahead with his speech while we try to work this out.

The PRESIDING OFFICER. The Senator from Massachusetts may proceed.

Mr. BROOKE. Mr. President, I wish to add my strong endorsement of the amendment introduced by the distinguished chairman of the committee (Mr. LONG) providing an increase in social security benefits.

The plight of the elderly has long been apparent to all of us. Many of our older people, who have worked all their lives, find that upon retirement their social security benefits are insufficient to maintain even a minimum standard of living. I have had heartrending letters, and I know most of my colleagues have also, from elderly people who have found upon retirement that they must give up their homes, live in dreary and unheated apartments, reduce both the quality and quantity of their meals, forego medical attention, and deny themselves the simple pleasures to which their retirement should entitle them. Yet these people have helped to build America, and to make it great. Surely we can and should do a far better job of enabling them to enjoy the rest and relaxation which they have earned in their retirement years.

Several important steps have been taken in recent days to make this goal a reality. Yesterday, this body adopted an excellent amendment introduced by my colleague, Senator MURPHY, providing that medical and drug expenses incurred by persons over 65—or their spouses—shall be fully deductible for income tax purposes. At the same time, it allowed persons under 65 to deduct in full such payments on behalf of dependent parents aged 65 and over. Since medical expenses are often among the highest costs incurred by our older citizens, this amendment will be helpful indeed.

In another development yesterday, I am pleased to report that a number of Senate amendments to the Housing Act

of 1969 were tentatively approved by the conference committee. Included were several amendments which I had sponsored providing for minimum payments by very-low-income persons living in public housing projects. If this bill becomes law, no person in this category will be required to pay more than 25 percent of his income for housing. Assistance payments provided by the Federal Government will make up the difference. The significance of these provisions should be clear when it is realized that of the 215,000 families who are presently paying more than 25 percent of their monthly income for public housing, 55 percent of them are over 65 years of age. And finally in this regard, it should be noted that the conference committee also tentatively agreed to the Senate recommendation of \$80 million in direct loans for housing for the elderly and the handicapped.

All of these steps, coupled with the recommendations of the chairman of the Finance Committee that social security benefits be increased 15 percent, effective January 1, should provide some much needed relief to our older citizens. In my State, alone, it will mean roughly \$120 million in additional income for three-quarters of a million people.

This is still not enough, by any means. I, for one, would like to see amendments adopted which would increase social security benefits to 20 percent, remove the earnings limitation and provide for a cost-of-living increase. But these measures will surely be considered in the next session of Congress, where through hearings and committee recommendations the most equitable solution may be found for all concerned. In the meantime the first measure of relief is at hand. I wholeheartedly support the pending Long amendment and strongly urge its adoption.

Mr. CURTIS. Mr. President, the beneficiaries of social security are entitled to this. They are entitled to a raise, and they are entitled to assurance that if the cost of living increases, they will not have to wait for a measure to pass both the House of Representatives and the Senate, be agreed to in conference, and be signed by the President. So many times a meritorious measure gets tied up with controversial legislation. One of the very commendable things about the Williams substitute is that it would write into the law the principle of automatic raises due to increases in the cost of living.

Here is something else, Mr. President: Inflation will not go away just by our deploring it. Perhaps there are many causes of inflation, but financial irresponsibility is one of them. Congress has never heretofore, to my knowledge, increased social security benefits without at the same time increasing the taxes. We should do that now.

We talk about the fact that there is a lot of money in the trust fund. By and large, over a period of years, the trust fund has contained about enough money to pay the benefits for 1 year. Sometimes the trust fund will get over that amount,

and then again it will dip down. The reason for that is that we cannot change the tax too often; it makes it confusing for taxpayers. And we cannot always anticipate the outflow; it depends upon the economic well-being of the country.

If we vote for the proposal of the distinguished chairman of the Committee on Finance, we will be going on record as voting for a social security increase without providing the revenue. We will be going on record, in my opinion, as voting for a paper benefit for the old people and other beneficiaries of social security. We will be voting for a provision that accepts the idea that in spite of our debts and our deficits, we can vote money out of the Treasury without putting some back in.

Mr. President, that is not the way to serve the elderly. It is not the way to serve the widows and the orphans who will be the beneficiaries under this measure. The administration proposal, in the long run, will provide more real benefit than the Long amendment, for two basic reasons: One is that it writes into the law automatic increases when the cost of living goes up. Second, it adheres to the principle of no increase in benefits without a corresponding increase in revenue. That is important at all times, but particularly in times of inflation.

Our votes should be cast for the Williams substitute, not alone because it is an administration measure, not alone because it provides for the financing. Our votes should be cast for the Williams substitute because it is better, and will provide benefits with more purchasing power for the recipients, in the long run, than will a departure from the long-established principle that you cannot vote benefits out of the thin air without increasing taxes, and thereby help anyone. It will just delude them. It may help people a little while, but before long, its effect will be felt in our economy.

Mr. President, the way to serve the beneficiaries of social security is to adhere to the principle that when benefits are increased, taxes must be increased. It is also important that we save the beneficiaries from the agony of waiting for an increase when it is necessary because of inflation. They would receive it automatically.

Mr. President, I urge a favorable vote on the Williams substitute. I yield the floor.

Mr. MILLER. Mr. President, I am pleased to be a cosponsor of the pending amendment. Inflation in the cost of living is best measured by the amount of increase in the consumer—retail—price index. During 1968 this price index rose from 118.6 to 123.7.

This, of course, means that the purchasing power of the dollar has gone down. Based upon a 1939 dollar worth 100 cents, the dollar had fallen to 46.6 cents by December 1960. By December 1968, it was down to 39 cents. Preliminary estimates show that cost of living inflation for 1968 amounted to over \$37 billion; and erosion in the value of bank deposits, savings, pension and life insurance reserves, and Federal and corpo-

rate bonds amounted to another \$38 billion. In short, inflation for 1968 took away more purchasing power from the people than the individual income tax collected during 1968.

Congress has not been entirely un mindful of the impact of inflation on social security pensions and has periodically increased them. But, there has usually been a timelag of several years during which the pensioners have suffered from a drop in their purchasing power. Since the last increases were effective under both the Social Security Act and the Railroad Retirement Act in February 1968, the consumer price index rose 4 percent through December 1968. Prompt help should be available to pensioners under these acts when they are hit by the loss in purchasing power of the dollar. They should not have to wait 1, 2, or 5 years for such relief through general amendments to the Social Security and Railroad Retirement Acts. This is especially so when such increases often fail to compensate fully for changes in living costs.

Our older people on social security have had \$3 billion in purchasing power taken away by inflation from their pensions alone since 1965. Even with the 7-percent increase in social security pensions in 1965 and the 13-percent increase of last February, most social security pensions today are worth less than they were in 1958.

I direct your attention to a table which shows increases in social security pensions legislated by Congress in order to enable pensioners to maintain their purchasing power in view of decline in value of the dollar.

The example is a worker having a \$3,000 annual income base, single at retirement and fully covered. The 1940 year figure is for a worker retired under the 1935 act. Other figures are for a worker retired under successive act for years indicated:

Year	Annual pension	Purchasing power of dollar compared to 1939 dollar worth 100 cents (in cents)	Real value of pension
1940.....	\$499.20	99.2	\$495.20
1950.....	870.00	57.8	502.86
1952.....	930.00	52.3	486.39
1954.....	1,062.00	51.7	549.05
1958.....	1,140.00	48.1	548.34
1965.....	1,220.00	44.0	537.00
1966.....	1,220.00	42.7	510.94
1967.....	1,220.00	41.6	507.52
1968.....	1,367.00	39.9	545.43

Mr. President, there is ample precedent for doing what the pending amendment would do for the pensioners. In the Federal Salary Reform Act of 1962, Congress did something about the situation insofar as retired civil service employees are concerned. As now contained in title 5 of the United States Code, section 8340, there is provision for an automatic increase in civil service retirement annuities when there has been an increase of 3 percent in the Consumer Price Index for 3 consecutive months over the

price index for the base month. Because of this provision, civil service retirees will receive a 3.9-percent annuity increase effective March 1. The annuity increase was triggered by the Bureau of Labor Statistics data released on January 28 showing that living costs had risen 3.9 percent since the last Federal retiree hike in May of 1968. Furthermore, under title 10 of the United States Code, section 1401a, military retirees receive automatic adjustments in their retired pay based upon increases in the cost of living. This provision is very similar to the civil service provision, and under it military retirees have been guaranteed a 4-percent increase, to be reflected in their March 1 checks.

There is much to be said for the fairness of such a change in the law. After all, if a majority of the Members of Congress persist in deficit spending, why should not the Congress provide for an automatic offset against the hardship the resulting inflation brings on?

Mr. TOWER. Mr. President, I feel that the proposal to raise the social security benefits to 15 percent, as opposed to the administration's proposal of 10 percent, would be an undue encouragement of inflation in a time when we are taking extreme pains in Congress to slow down the dangerous rate of inflation. The administration feels that a 10-percent increase in benefits is necessary to bring those individuals on social security up with recent cost-of-living increases. But it does not appear financially sound at this time for Congress to try to do much more than keep the benefits in line with cost-of-living increases.

It is in the best interests of the elderly and retired, who largely live on fixed incomes, that Congress and the administration bring inflation under control as soon as possible. For this purpose we have cut back expenditures for the coming year on such items as very needed flood control and reservoir projects, military installations, and general Federal construction. I do not feel that Congress should legislate increases in the current levels of Federal payouts that are not absolutely essential. The extra 5 percent of this proposal is nonessential.

I therefore support a 10-percent increase in social security benefits but will oppose the 15-percent proposal.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware in the nature of a substitute. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia (when his name was called). On this vote I have a pair with the senior Senator from Alabama (Mr. SPARKMAN). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Oregon (Mr. HATFIELD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) and the Senator from Kentucky (Mr. COOK) would each vote "yea."

The result was announced—yeas 34, nays 56, as follows:

[No. 175 Leg.]

YEAS—34

Allott	Goodell	Pearson
Baker	Griffin	Percy
Bellmon	Gurney	Saxbe
Bennett	Hansen	Scott
Boggs	Hruska	Smith, Maine
Cooper	Javits	Smith, Ill.
Cotton	Jordan, Idaho	Stevens
Curtis	Mathias	Tower
Dole	McClellan	Williams, Del.
Dominick	Miller	Young, N. Dak.
Fannin	Murphy	
Fong	Packwood	

NAYS—56

Aiken	Hart	Moss
Allen	Hartke	Muskie
Bayh	Holland	Nelson
Bible	Hollings	Pastore
Brooke	Hughes	Pell
Burdick	Inouye	Proxmire
Byrd, Va.	Jackson	Randolph
Cannon	Jordan, N.C.	Ribicoff
Case	Kennedy	Russell
Church	Long	Schweiker
Dodd	Magnuson	Spong
Eagleton	Mansfield	Stennis
Eastland	McCarthy	Talmadge
Ellender	McGee	Tydings
Ervin	McGovern	Williams, N.J.
Fulbright	McIntyre	Yarborough
Gore	Metcalf	Young, Ohio
Gravel	Mondale	
Harris	Montoya	

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Byrd of West Virginia, for.

NOT VOTING—9

Anderson	Goldwater	Sparkman
Cook	Hatfield	Symington
Cranston	Mundt	Thurmond

So the amendment of Mr. WILLIAMS of Delaware in the nature of a substitute was rejected.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. PROUTY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROUTY. Mr. President, on behalf of myself and the distinguished

Senator from New Hampshire (Mr. CORTON), I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. MANSFIELD. Mr. President, I would like to know what the amendment provides.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The table appearing on pages two through three of amendment No. 367 is amended by striking out all the figures contained in columns I through V, down to and including the line which contains the following figures: "19.25 20.00 61.10 84 85 70.30 105.50", and inserting in lieu of the matter stricken the following:

"----- 20.00 61.10 -- 85 70.30 105.50".

Mr. PROUTY. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. SAXBE in the chair). The Senate will be in order. The Senator from Vermont has the floor.

Mr. PROUTY. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROUTY. Mr. President, on Wednesday, I had ordered printed an amendment to the tax reform bill, which would have provided an emergency social security benefit increase of 10 percent across the board while boosting the minimum benefit level from \$55 to \$90. This amendment would have provided increases beginning January 1 and ending June 13, 1970. My rationale for the 6-month life of the increase was simple. I wanted Congress to have time to review and study the need for a comprehensive revision of our social security system.

As I was ordering my amendment printed, the chairman of the House Ways and Means Committee announced that his committee had ordered reported a bill to provide an across-the-board benefit increase of 15 percent.

Mr. President, I commend the chairman of the Ways and Means Committee for his action. Likewise I commend the Senator from Louisiana (Mr. LONG) for offering his amendment. However, I believe that neither the bill reported to the other body nor the Long amendment goes far enough. I would consider each only a stopgap measure seeking to repair the ravages of inflation on social security benefits.

As such, they are responsive to a compelling need. But an across-the-board increase ignores a greater need at the bottom of the social security benefit scale.

Mr. President, the amendment that I and the Senator from New Hampshire (Mr. CORTON) offer to the amendment of the Senator from Louisiana (Mr. LONG) is simple. One might call it the six-dollar-and-thirty-cents amendment. For that is the additional in-

crease over and above that provided by the amendment of the Senator from Louisiana which my amendment would provide to social security recipients now receiving the meager minimum benefit.

Mr. President, the amendment offered by the Senator from Louisiana, embodies the provisions similar to the social security bill reported Wednesday to the other body. It applies benefit boosts of 15 percent at each benefit level. I agree that for now this increase of 15 percent is right for every benefit level but those at the lowest end of the scale.

Currently, the minimum benefit is \$55. A 15 percent increase, rounded off, would boost this figure to \$64. My amendment to the Long amendment would raise the minimum to \$70.30. The difference is \$6.30.

Six dollars and thirty cents a month: To most Americans in these affluent times, that seems a trifling amount. But we are not discussing those caught up in affluence, we are considering those Americans bypassed by current riches.

Six dollars and thirty cents a month to those older Americans now eking out an existence on the minimum benefit of \$55 is, indeed, a large sum.

Six dollars and thirty cents a month: How long will it take for this small sum to vanish in the inflationary spiral?

A review of recent history does not portend well for this sum. In December 1967 when Congress enacted the 13-percent benefit increase, the Consumer Price Index was 118.2. By October of this year, the Consumer Price Index had risen to 129.2. In other words three-quarters of the last benefit increase has already been eroded by inflation. While this erosion of benefits is shocking in itself, it is even more tragic when we recall that the 1967 benefit increase was in itself insufficient replacement of buying power.

Inflation, the cruellest tax of all, batters the income of all Americans and erodes the benefits of all social security recipients. It is, however, my contention that the cruelty of inflation is proportionately greater at the lowest levels of fixed income.

Mr. President, I ask Senators to consider these cruel facts.

At present, at least 1.1 million social security beneficiaries are forced to be on the welfare rolls in order to meet their basic needs.

At present, some 6 million recipients continue to be classified in the category of abject poverty.

Mr. President, I believe that it is intolerable that such a situation exists in our country. The contrast between the "haves" and the "have-nots" is becoming more and more vivid.

The Senate has not sat idly by while this contrast became more vivid.

In December 1967, our Nation acted to alleviate to some extent the hardship facing older Americans. At that time, the Senate passed a major social security bill which would have provided a minimum benefit of at least \$70 a month.

Mr. President, I remember well the evening that the Senate passed that bill. It gave me momentary satisfaction, because year after year, from 1961 on, I

proposed bill after bill and amendment after amendment to provide a \$70 minimum monthly benefit.

I regret that our efforts and intent did not prevail in conference with the other body.

I point to the precedent set by the Senate in approving a \$70 minimum benefit. I have spoken of the plight of our older Americans. I realize that precedent and plight must be accompanied by an appraisal of the cost of this amendment to the taxpayer.

Before I give the cost figures, I want to point out that, at the present time, the social security system is heavily overfinanced. In his most recent estimates, Mr. Myers, the Chief Actuary of the Social Security Administration, projects an actuarial surplus of 1.16 percent of payroll. What does this mean?

First, it means that there is a reserve of more than \$38 billion in the social security trust fund account at this very minute. Under the present benefit structure, that surplus will reach almost \$80 billion by the end of 1974.

Mr. President, when we project the surpluses into the year 2025, we find that the reserve in the OASI trust fund will be \$953.1 billion. Quite frankly, I for one, cannot justify such a large surplus.

I ask unanimous consent that an explanation I had prepared showing income into the social security trust fund, outgo from the social security trust fund, and the ever-increasing surplus in the fund be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER (Mr. SCHWEIKER in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROUTY. Mr. President, the amendment offered by my good friend from Louisiana (Mr. LONG) would have a level cost of 1.24 percent of payroll. My amendment to his amendment would increase the cost to 1.30 percent of payroll. In dollar terms, my amendment would bring the cost of the Long amendment to \$4.5 billion for calendar year 1970. Without my amendment, the cost would be \$4.2 billion over the same period. In other words, for less than \$300 million the Senate can follow the precedent that was set in the last Congress in providing a minimum social security payment of \$70.30 a month.

Mr. President, at the outset, I said that my amendment to the Long amendment is a simple one. But this is not to say that the problems of our elderly are to be simply solved. The entire social security system needs careful review and study aimed at comprehensive reforms. I am sure that the distinguished chairman of the Finance Committee agrees that such review will be necessary in the near future.

But for now, I urge Senators to accept the amendment that the Senator from New Hampshire (Mr. CORRON) and I offer.

It will provide an extra measure of relief to those who in their old age share so little in our affluence.

It provides an additional \$6.30 a month, or \$75.60 a year, to 3½ million older Americans.

It is too little for the recipients, but surely it is not too much to ask of the Senate.

EXHIBIT 1

EXPLANATION OF PROUTY-COTTON AMENDMENT TO THE LONG SOCIAL SECURITY INCREASE PROPOSAL

The Prouty-Cotton amendment to the Long Social Security benefit increase amendment would have the following effect:

Increase the minimum monthly benefit under the Long Amendment from \$64.00 to \$70.30. (Under present law the monthly minimum is \$55.)

All other features of the Long Amendment are retained.

3½ million older Americans are affected by increasing the minimum monthly benefit to \$70.

REASONS FOR THE AMENDMENT

1. Inflation has continued to erode the buying power of those receiving social security benefits.

2. Congress enacted a 13 per cent social security benefit increase in December 1967. However, the consumer price index has increased from 118.2 at that time to 129.2 in October, 1969, indicating that over three quarters of the last increase has already been eroded by inflation.

3. People age 65 or over make up 18.1% of the poor. Nearly 8 million can be classified as living in poverty.

4. There are presently at least 1.2 million Social Security beneficiaries who are forced to be on welfare in order to meet their basic needs.

5. There is an actuarial surplus in the Social Security Trust Fund of 1.16% of payroll.

6. In dollar terms the following chart demonstrates the short-range prospects for the Social Security Trust Fund:

[In billions]				
	Income	Outgo	Gain	Surplus
Fiscal year:				
1969.....				\$32.0
1970.....	\$35.2	\$28.5	\$6.7	38.7
1971.....	38.6	29.6	9.0	47.6
1972.....	43.1	30.8	12.3	59.9
1973.....	47.1	32.0	15.1	75.3

7. The long range anticipated buildup of reserves or surplus in the Social Security Trust Fund is even more startling. Under the present law in the year 2025 there will be a surplus of \$953.1 billion dollars in the Trust Fund. The following table clearly illustrates the buildup of tremendous surpluses:

[OASI reserve in billions of dollars]	
Year:	
1980.....	\$119.6
1985.....	168.0
1990.....	215.3
1995.....	268.0
2000.....	338.4
2025.....	953.1

8. Cost Comparison:

Long amendment	Prouty-Cotton amendment	Difference
1.24 percent payroll....	1.30 percent payroll.....	+0.06 payroll.
\$4,200,000,000.....	\$4,500,000,000.....	+\$300,000,000.

Mr. CURTIS. Mr. President, will the Senator from Vermont yield?

Mr. PROUTY. I yield.

Mr. CURTIS. I commend the Senator from Vermont. While I continue my criticism against the idea of a social security increase without a corresponding increase in taxes, I do want to say that

the points raised by the distinguished Senator from Vermont are well taken. There are many reasons for that. The cost of social security is borne by the economy generally. The employers' tax is added to the cost of the goods we buy. If that were not so, employers would have been out of business long ago. A considerable amount of the employees' tax is, likewise, passed on because of the demand for more wages, which they get, and which in turn increase the cost of the production of goods and other items which people buy. So the social security costs are carried by the economy generally.

If we are to tax the American people to provide benefits for a certain segment, who has the best claim on those benefits? The people least able to provide for themselves.

The most generous benefits should go to the people receiving the least. Why are their benefits low? Because the benefits are based upon average wage rates. We are dealing with a group of people who struggle along and work and earn, but do not earn very much. They have little opportunity to lay by for their old age.

Social security schedules are so arranged that the individual who has had the best opportunity to provide for his old age gets the greatest amount, even though it is paid for by the taxpayers; while those who have the least opportunity to provide for their old age get the least benefits, even though they are provided for by the taxpayers.

Our social security benefit schedules should be revised in favor of those who draw the least amounts.

I, therefore, commend the distinguished Senator from Vermont in doing so, although I do not waive my previous criticism of the proposal before us, which would increase benefits without a corresponding increase in taxes, because the projected surpluses in funds are based upon the fact that Congress will never again change the law—and that will never happen. But I commend the Senator and expect to vote for his amendment.

Mr. PROUTY. I am grateful to the Senator from Nebraska. I appreciate the objectivity with which he is approaching this matter.

I should point out that President Nixon, in his old-age assistance recommendations, suggested \$90 a month as a minimum under old-age assistance.

I feel a little guilty, and I feel certain that the distinguished Senator from New Hampshire (Mr. Cotton), a cosponsor of the amendment, also feels a little guilty, to have to hold this figure down to \$70. However, we do not want to propose such a great benefit that the already high social security tax would have to be increased.

It was in 1967 that I was able to offer an amendment to the 1966 Tax Adjustment Act which provided needed benefits to more than 1 million elderly persons who did not qualify for social security. As it passed the Senate, it was \$40 a month. After it went to conference, it came back at \$35 a month. Now, under the proposal of the distinguished Senator from Louisiana, it will be \$43 a month.

Even though that seems like such a small amount, I received thousands of letters from elderly persons all over the country expressing deep appreciation for the \$40 a month.

How they can be grateful for so little is beyond me, but they are. It is money they desperately need.

Many household pets receive better food and shelter than many of the elderly people of this country.

I think it was Arnold Toynbee who once said, "History will judge a society or civilization by the concern it expresses for its elderly citizens." I think that is true, and I often wonder how our society will measure up on this score.

We have not done enough for older Americans, but I think as a practical matter the \$70 minimum monthly benefit is as far as we can go at the present time.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. COOPER. I have just heard the distinguished Senator from Nebraska speak on the Senator's amendment, which he covered well. I want to associate myself with what he said and also with what the Senator from Vermont, Senator PROUTY, has been saying. I remember very well when the Senator from Vermont initiated his program to help those with the lowest income, those who are really poor. I commend the Senator from Vermont and I will support his amendment.

Mr. PROUTY. I thank the Senator.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. ALLOTT. I appreciate the Senator's yielding to me. I am going to support his amendment.

I asked the Senator to yield because I think the people of America, particularly the older people, should realize how dedicated he has been, not just in the last few minutes or just in the last year, but for many years, in behalf of the elderly people of this country in trying to provide an adequate social security income for them.

He is entirely right when he says that probably most of the pets in this country are fed on better diets and live in better circumstances than do our older people. When we stop to realize that, I think it is a condemnation of our society that we have provided better for our pets than we have provided for elderly people.

I want to applaud the Senator and say that not only do a great many elderly people in this country, but also here in the Senate we appreciate his efforts in this very vital area.

Mr. PROUTY. I am grateful to the Senator from Colorado. I certainly know he has been most helpful and as concerned as I with the problems of our elderly people.

For the benefit of Senators, I may say that I have had placed on the desk of each Senator a statement showing the buildup in the social security fund from a surplus of \$32 billion at the end of fiscal 1969 to \$953.1 billion in the year 2025.

If anyone studies those figures, he will understand that the fund is amply financed at the present time. Moreover,

the tax rates and taxable base will increase under existing law. This fact alone will create even a larger surplus.

Mr. LONG. Mr. President, it is my understanding that the House Ways and Means Committee, where this amendment is being considered along with many other measures, has been conducting very lengthy hearings and has concluded that measures of this sort should await consideration in the context of a more detailed bill which might involve an increase in social security taxes.

If this amendment is added to the bill, additional tax revenues will be needed if the social security trust fund is to be actuarially sound.

Mr. President, the House of Representatives, ably represented in conference by the senior members of the Ways and Means Committee, has consistently refused to accept any Senate increase in social security benefits requiring increased taxes, unless the Senate bill also provided for the necessary financing. In the past, it has been futile for the Senate to vote for any increased benefits if we did not provide for the revenues needed to pay for those benefits.

I am sure the Senator from Vermont feels that his amendment is meritorious, but there are also good arguments for other amendments to increase social security benefits in other ways.

To illustrate that increasing the minimum benefit substantially is a complicated problem, I would point out that increases in minimum benefits apply to many people who have worked in employment covered under the social security program for only brief periods of time and who receive annuities from other retirement programs. If we look into the matter more closely, we might well find persons who have more need for benefit increases of a different sort than an increase in the minimum as is proposed here.

I bring this up to demonstrate that this is the sort of problem that really should be studied by the Senate Finance Committee, so that the merits of the Senator's proposal may be weighed against other suggestions which could be made for the most appropriate benefit structure under social security.

For example, the President of the United States has suggested that the earnings limitation should be raised so that people could earn somewhat more money without getting their social security benefits reduced. Many other amendments could be suggested as additions to the bill.

If the Senate wants to vote the amendment of the Senator from Vermont into the bill, it ought to be aware of the fact that, desirable though it may be to provide a higher minimum benefit, no tax is being provided to pay for this benefit, and the social security program will not be in long-range fiscal balance. It will be actuarially out of balance in the event the amendment of the Senator from Vermont is approved. For this reason, I believe the House conferees will insist, as they have done repeatedly in prior conferences, that they will not accept provisions for additional benefits that do not also provide the financing needed to pay for them.

The philosophy of the House proposal, as provided in the Long amendment, is that a 15-percent social security increase should be voted now and that other measures, such as that suggested by the Senator from Vermont, should await further consideration and should be part of a bigger bill that would come before us next year.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RANDOLPH. Is it not true that the 15-percent increase under the amendment to be offered would be actuarially sound?

Mr. LONG. Yes, and I might point out that 25 members out of the 25 members of the Ways and Means Committee, I am told, voted to support that position. The actuaries in the Social Security Administration agree that the 15-percent benefit increase is actuarially sound. It was on that basis that the House Ways and Means Committee voted the measure out.

Mr. RANDOLPH. That action, if approved in the House and here today, hopefully, under the leadership of the chairman, would be effective as of January 1970. Is that correct?

Mr. LONG. That is right.

Mr. RANDOLPH. This action would go beyond the 10-percent increase recommended by President Nixon, which would not be effective until April. Is that correct?

Mr. LONG. Yes, that is correct. The President's 10-percent benefit increase would be effective as of March 1970, meaning that the first check with the higher benefit would be mailed out early in April. Thus if a person today is drawing \$100 in monthly social security benefits, he would then receive a check for \$110 early in April.

What is being proposed by the Senator from Louisiana is the Ways and Means bill, which would provide a 15-percent benefit increase, effective January 1970. Since it would take some time for the Social Security Administration to actually put the increase into effect, they tell us that the first check reflecting the increase in my amendment would be sent out early in April. That would mean that the April check would be for \$145, including \$30 in retroactive benefits, rather than the \$110 under the President's proposal.

Mr. RANDOLPH. And, as I understand it, the present minimum would be raised from \$55 to \$64?

Mr. LONG. Yes.

Mr. RANDOLPH. I thank my able chairman. I am privileged to join him as a cosponsor, and I believe the Senate will act affirmatively in providing a necessary increase.

We should, I repeat, enact into law additional relief for our elderly citizens living on fixed incomes.

Our efforts to insure this substantial increase in social security payments is fair and equitable—and we owe it to those aged persons who are the most adversely affected by the rising cost of living. There has been a 12-percent increase in the cost of living since the last adjustment in social security benefits which was in February 1968. The increase proposed today will not mean a

significant rise in the standard of living of those on social security. It will, however, restore the standard of living effected in 1968.

Our Special Committee on Aging, on which I am privileged to serve, is conducting a continuing study of problems of the aged. Our results clearly reveal that this Nation is faced with a crisis situation in coping with the problems of elderly citizens. Certainly the social security system is a fast and effective way to deliver income assurance to them. But the means must become the commitment to provide timely and adequate social security payments.

Mr. LONG. Mr. President, the Senate will work its will with regard to this amendment. However, if the proposal of the Senator from Vermont is made a part of my amendment, I believe the Senate should be well aware of the fact that it may very well be an exercise in futility, because the House conferees are likely to take the same view they have in years past about providing a benefit without providing the necessary tax to pay for it. In years gone by, the House conferees have been firm almost to the point of being rude in telling us that if there was no tax to pay for such a benefit they were not even going to consider it.

The House Committee on Ways and Means has already voted out unanimously this proposal for a 15-percent across-the-board increase, which I hope they will be willing to accept as an addition to this income tax bill.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. PROUTY. I should like to point out that the only difference in cost between the Senator's amendment and my perfecting amendment to his amendment is \$300 million.

Mr. LONG. That is the first year cost. The cost goes up after that.

Mr. PROUTY. I might say to the Senator from West Virginia (Mr. RANDOLPH) that my proposal raises the minimum monthly social security benefit to \$70. Under the amendment of the Senator from Louisiana the minimum monthly benefit would be \$64.

Mr. LONG. Yes. But when you add the amendment that the Senator is offering to the amendment that I have pending here, and I am sure that the Senator is well aware of this fact, the proposal will increase the cost by perhaps a half billion dollars a year, and that this will present us with a deficit. I am sure the Senator is aware of the attitude that the House Ways and Means Committee has taken in such matters. They simply will not consider a Senate amendment that puts us in a deficit position, without adequate tax revenues.

Mr. PROUTY. Well, in any event, if we go to conference with this proposal and they turn it down, there is nothing we can do about it. Nevertheless we will have shown our deep interest in the elderly people who are faced with grave economic problems. I am ashamed that the amount is only \$70. I offered one amendment to provide \$90. That is what I prefer, and what the President recommends as a minimum for old-age assistance for welfare recipients.

Mr. LONG. Mr. President, I believe I have made my position clear. I am prepared to respect the judgment of the Senate. I do feel that I should advise the Senate about the actuarial problem involved here, and what our experience has been when we have gone to the House of Representatives with an increase in benefits which we did not have sufficient taxes to pay for. We have had relatively little success in making them even seriously consider that type of increase, if we did not have the financing to pay for it.

I have high hopes, however, that we will be able to make the House conferees recognize their own handiwork, and agree to what the Committee on Ways and Means has unanimously recommended to the House of Representatives, and which I believe will pass the House by an overwhelming majority when it comes to a vote over there.

Mr. PROUTY. Mr. President, I am ready to vote. Let me say simply that I was amazed that the House Ways and Means Committee recommended even a 15-percent increase. I believe they realize the seriousness of the plight of many of our elderly citizens.

With that in mind, I do not believe the members of that committee, or the Members of the other body, or the Members of the Senate, are going to say that \$70 is too much to provide for people 65 years of age and older.

We have taken pretty good care of the oil industry and other enterprises, right down the line. Now we are talking about the elderly people who need our help, and we are going to do what we can to see that they get it.

Mr. LONG. Mr. President, on this bill we have taken care of the oil industry with a \$555 million tax increase, on top of the increase in the capital gains tax and other increases. So they have been taken care of with a very big tax increase on this bill.

I fear we will have difficulty with the Senator's proposal for the reasons that I have undertaken to express; namely, that the House of Representatives is going to say that the financing is not there to provide for it. But I will do the best I can, if the Senate insists on adding this proposal to the bill.

Mr. MANSFIELD. Mr. President, I am ready to vote also, but I yield first to the distinguished Senator from West Virginia (Mr. BYRD).

Mr. BYRD of West Virginia. Mr. President, I thank the able majority leader. I send to the desk a perfecting amendment to the Long amendment, and I ask that it be stated for the information of the Senate.

The PRESIDING OFFICER. The clerk will state the Senator's perfecting amendment.

The legislative clerk proceeded to read the amendment.

Mr. BYRD of West Virginia. I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Strike out page 2 and insert in lieu thereof the following new page:

*TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS.

I	II	III	IV	V	I	II	III	IV	V	
(Primary insurance benefit under 1939 act, as modified)	(Primary insurance amount under 1967 act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)	(Primary insurance benefit under 1939 Act, as modified)	(Primary insurance amount under 1967 Act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)	
If an individual's primary insurance benefit (as determined under subsec. (d)) is—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	If an individual's primary insurance benefit (as determined under subsec. (d)) is—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	
At least—	But not more than—	At least—	But not more than—		At least—	But not more than—	At least—	But not more than—		
	\$30.36	\$85.90 or less	\$141	\$100.00		\$116.20	\$254	\$258	\$133.70	\$206.40
\$30.37	30.92	87.20	146	100.30		117.30	259	263	134.90	210.40
30.93	31.36	88.40	147	101.70		118.60	264	267	136.40	213.60
31.37	32.00	89.50	151	103.00		119.80	268	272	137.80	217.60
32.01	32.60	90.80	156	104.50		121.00	273	277	139.20	221.60
32.61	33.20	92.00	161	105.80		122.20	278	281	140.60	224.80
33.21	33.88	93.20	165	107.20		123.40	282	286	142.00	228.80
33.89	34.50	94.40	170	108.60		124.70	287	291	143.50	232.80
34.51	35.00	95.60	175	110.00		125.80	292	295	144.70	236.00
35.01	35.80	96.80	179	111.40		127.10	296	300	146.20	240.00
35.81	36.40	98.00	184	112.70		128.30	301	305	147.60	244.00
36.41	37.08	99.30	189	114.20		129.40	306	309	148.90	247.20
37.09	37.60	100.50	194	115.60		130.70	310	314	150.40	251.20
37.61	38.20	101.60	198	116.90		131.90	315	319	151.70	255.20
38.21	39.12	102.90	203	118.40		133.00	320	323	153.00	258.40
39.13	39.68	104.10	208	119.80		134.30	324	328	154.50	262.40
39.69	40.33	105.20	212	121.00		135.50	329	333	155.90	266.40
40.34	41.12	106.50	217	122.50		136.80	334	337	157.40	269.60
41.13	41.76	107.70	222	123.90		137.90	338	342	158.60	273.60
41.77	42.44	108.90	226	125.30		139.10	343	347	160.00	277.60
42.45	43.20	110.10	231	126.70		140.40	348	351	161.50	280.80
43.21	43.76	111.40	236	128.20		141.50	352	356	162.80	284.80
43.77	44.44	112.60	240	129.50		142.80	357	361	164.30	288.80
44.45	44.88	113.70	245	130.80		144.00	362	365	165.60	292.00
44.89	45.60	115.00	250	132.30		145.10	366	370	166.90	296.00

On page 9 after line 11, add the following new section:

"Sec. 6(a) Notwithstanding any other provision of law, beginning with years beginning after December 31, 1972, the earnings counted for benefit and tax purposes under titles II and XVIII of the Social Security Act and appropriate sections of the Internal Revenue Code shall be increased from \$7,800 to \$12,000.

"(b) The Secretary of Health, Education, and Welfare is directed to modify the table in section 215(a) of the Social Security Act to include benefits, consistent with the formula underlying the benefits in section 215(a), for average monthly wages greater than \$650 but less than or equal to \$1,000."

Mr. PROUTY. Mr. President, a parliamentary inquiry. What does the amendment do?

Mr. BYRD of West Virginia. I shall attempt to explain it.

Mr. MANSFIELD. It is coming up later, anyway.

Mr. LONG. The Senator cannot call it up now. He can explain it.

Mr. POUTY. Mr. President, a parliamentary inquiry. Is it in order for my distinguished friend to explain his amendment at this time?

The PRESIDING OFFICER. The Chair will state that it is in order for him to discuss it, but the perfecting amendment of the Senator from Vermont is still pending.

Mr. PROUTY. The amendment is not being offered at this time?

The PRESIDING OFFICER. No.

Mr. BYRD of West Virginia. Mr. President, the pending question before the Senate is with respect to the perfecting amendment offered by the able Senator from Vermont (Mr. PROUTY) to the Long amendment. Under the Prouty perfect-

ing amendment, there would be a 15-percent across-the-board increase in social security payments, with an increase in the minimum benefits to \$70 per month.

As the able chairman of the Committee on Finance has stated in his remarks in opposition to the Prouty perfecting amendment, the perfecting amendment offers no method for defraying the additional cost of the benefits which would accrue under that amendment. As the chairman of the committee has also very appropriately stated, to go to conference with additional benefits that will not be offset by additional increases in the tax, or an expansion of the tax base, would be a futile effort.

Mr. President, I think we all want to see an increase in the minimum benefits. Under the Long amendment, the increase would be 15 percent across the board including the minimum benefit. The minimum payment at the present time is \$55 a month. Fifteen percent of that would be about \$8.25, which would mean that the total minimum benefit under the Long amendment would amount to something like \$63.25, as against \$70 under the Prouty perfecting amendment.

I should like to see an increase in the minimum benefit. The able majority leader would like to see an increase in the minimum payment. As I have stated, I think all Senators would like to see an increase. For that reason, I have offered a perfecting amendment to the Long amendment, which will be called up after the vote on the Prouty amendment. This perfecting amendment, which I have offered in behalf of myself and the able majority leader, would provide for a minimum payment of \$100 per

month to a single individual, or \$150 a month to a man and wife. So we would provide a larger minimum benefit, one that is more in keeping with the increase in the cost of living; but at the same time, it is not our intention to do a vain and futile thing.

We are also going to provide the means whereby the increased benefits would be offset. This would be done by expanding the tax base from \$7,800 a year to \$12,000 a year. So, we would provide an increase in the minimum payment for a single individual that would be \$30 above the amount provided in the Prouty amendment. And we would also provide a way to pay the bill, so that when the chairman of the committee goes to conference with the House he will be able to present a fiscally responsible plan whereby the trust fund will not be endangered by the increase in benefits.

The 15-percent increase in itself is actuarially sound, as the chairman has stated. However, to increase the minimum to \$70 would result in a drain upon that fund.

The majority leader and I, and those who would support us, want to provide a larger minimum benefit than \$70, one that is in keeping with the increase in consumer prices and, at the same time, we want to provide the increased income with which to pay the increased benefits.

For this reason, we are advocating that the earnings base be increased from \$7,800 a year to \$12,000 a year. The increase in the tax base will not take effect under the amendment offered by the majority leader and me until 1973.

This delay is possible without endangering the fund.

As a matter of fact, I am advised that

the fund under the Long amendment would experience an increase in surplus from \$32 billion in 1970 to \$37 billion in 1971.

So, even with the increase of 15 percent across the board, the surplus in the fund would be increased over and beyond the amount necessary to offset that 15-percent increase in payments.

We can easily wait until 1973, without jeopardizing the trust fund, before we put into effect the increase in the tax base to offset the increase in minimum benefits.

However, under the amendment, the increase in the tax base will take effect in 1973.

This is a brief explanation of the amendment which the majority leader and I have offered.

After the vote on the Prouty amendment—and I hope the Prouty perfecting amendment will be rejected—we will then call up our perfecting amendment, and I hope that it will be agreed to.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. Mr. President, I yield.

Mr. PROUTY. Mr. President, I make the comment that I believe I have started something.

Mr. MANSFIELD. No. We have been thinking about this for some time.

Mr. PROUTY. On this very floor I have tried for 8 or 9 years to get meaningful social security benefits. The amendment offered by the distinguished majority leader and the distinguished Senator from West Virginia (Mr. BYRD) takes us all by surprise. Nevertheless it is a pleasant surprise as far as the benefit increase goes.

However, you would not raise the tax base until 1973. Is that correct?

Mr. WILLIAMS of Delaware. Mr. President, if the Senator will yield, we will not raise the base in taxes until after the 1972 election.

Mr. PROUTY. Mr. President, if the fund is not solvent enough to support a \$70 monthly minimum, it certainly would not be able to support a \$100 monthly minimum. I am afraid the Ways and Means Committee of the House of Representatives would never accept the amendment.

ADDITIONAL COSPONSOR

Mr. COTTON. Mr. President, I ask unanimous consent that the name of the Senator from South Carolina (Mr. HOLINGS) be added as a cosponsor of amendment No. 342.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I would not suggest for a moment that there is any politics being played on the floor of the Senate today. However, it seems to me that this exercise in one-upmanship demonstrates quite clearly why we should not even be considering social security legislation in connection with the tax reform bill.

Social security legislation is very important and very serious legislation. As we all know, it means a great deal to a great many people.

We are dealing with a very important subject, a very technical subject, a very difficult subject, and one that ought to

have adequate hearings and adequate consideration in committee.

One of the points that concerned me as the distinguished Chairman of the Finance Committee offered his amendment was the fact that there have been no hearings on the legislation that he himself has offered.

There is no reason and no need in connection with the pending tax bill to consider social security increases. The House is proceeding in an orderly way. As we know, the Ways and Means Committee of the House, after holding hearings, has reported a bill.

That bill will be on the House floor next week, and presumably some form of social security legislation will pass the House. The bill will then come to the Senate.

It is only appropriate, it would seem to me, that the Senate consider such legislation separately and in the manner in which it ought to be considered.

Surely we have no business rewriting the social security law here on the floor of the Senate in this manner.

I, for one, will vote against it. As much as I respect and admire the Senator from Vermont (Mr. PROUTY) for his great leadership in this field—and I know how sincere he is, and I know how dedicated and sincere the sponsors of the next amendment are in their devotion to the objectives of social security—I shall vote against both amendments in the interest of orderly procedure.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I will agree with the acting minority leader about the bad precedent we are establishing here in trying to add major legislation on the floor of the Senate. However, I point to the bad precedent that was started a few months ago when under the orders of the Democratic policy committee, the Finance Committee was given a limited time in which to report a major tax reform bill.

We had some committee consideration by means of having day-and-night sessions. Yet we are now having the entire bill rewritten on the floor of the Senate. I wonder if it would not have been as well to abolish the Finance Committee procedure and to have brought the bill to the Senate floor. The Senate has rejected practically all the reforms that the Finance Committee proposed and have converted this bill into a major Christmas tree bill. Who says there is no Santa Claus?

I am not unmindful of the fact that as we do our Christmas shopping very often it is done on credit cards. Christmas packages are passed around to our friends and relatives; however, after New Year's Day we get the bills and the statements.

The same point is true here today. I point out that for a long time the American people will be paying the bill for all that has taken place on the Senate floor this December, and they will be laboring a long time to pay for it.

Mr. GRIFFIN. Mr. President, I thank the Senator for his contribution. I do not think there is any doubt that all Members of the Senate want to increase the

social security benefits. It seems to me that they want to do it before the next election.

I think we have a better chance of achieving that objective if we consider social security legislation separately and in its proper order.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. MANSFIELD. Mr. President, it is hard to imagine a social security recipient or any other person in this day and age getting by on \$55 a month. I would point out that the administration itself has advocated an increase of 10 percent—thus increasing the minimum to \$60.50. The House Ways and Means Committee, I understand, unanimously reported a bill—scheduled for House action next week—that would increase benefits by 15 percent.

I think the minimum benefits under all these plans are totally inadequate for any person who relies upon social security for subsistence. Those in this Chamber who say that a proposal that increases the minimum benefits to \$100 and increases the benefits across the board by 15 percent are playing politics, ought to be aware of one thing—that since the last increase in social security benefits to pensioners, the cost of living has increased in the neighborhood of 10 percent. So, the social security pensioners are getting no windfall.

I would like to hear anyone challenge the difficulty that exists for those who attempt to get by on \$55 a month with prices going up as they are and the cost of living increasing at such a rapid rate.

You can make fun about next year being an election year and about 1972 being a presidential election year, but you cannot make fun of the people in need. These people are in need. The inflation that has occurred during this past calendar year has been the greatest in recent times. The social security pensioner—living on fixed income—is the hardest hit. To say that our amendment which raises these benefits is playing politics elevates that charge to a very high level of respectability.

The pending amendment offered by myself and Senator BYRD more than pays for itself. It raises the base of the tax but does not increase the tax rate. In fact, the amendment produces a slight surplus to the social security trust fund.

I would hope that the Senate would adopt this amendment so that these most needed adjustments in social security benefits can be enacted prior to January 1, 1970—when they shall go into effect.

Mr. WILLIAMS of Delaware. Mr. President, I concur. One of the major causes for the people being in need of increased social security benefits is the inflation we have experienced in the last few years which has destroyed the purchasing power of what little they had.

I hope that sometime we can join hands across the aisle to eliminate some of the causes which are further fanning the fires of inflation. I think that is the real problem with relation to their need. I think the solution that is needed is the knowledge that purchasing power will remain stationary.

At the present rate we are taking it away from them through inflation faster than we can vote the benefits on the floor of the Senate.

Mr. MANSFIELD. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). On this vote I have a pair with the Senator from Kentucky (Mr. Cook). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. HANSEN (after having voted in the negative). On this vote I have a pair with the junior Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

The assistant legislative clerk concluded the call of the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. Cook), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The respective pairs of the Senator from Kentucky (Mr. Cook) and that of the Senator from Arizona (Mr. GOLDWATER) have been previously announced.

The result was announced—yeas 44, nays 46, as follows:

[No. 176 Leg.]

YEAS—44

Aiken	Fong	Moss
Allen	Goodell	Murphy
Allott	Gore	Packwood
Baker	Gurney	Percy
Bellmon	Hart	Proity
Boggs	Hatfield	Proxmire
Brooke	Hruska	Saxbe
Burdick	Jackson	Schweiker
Case	Javits	Scott
Cooper	Jordan, Idaho	Smith, Maine
Cotton	Magnuson	Smith, Ill.
Curtis	Mathias	Stevens
Dole	McGee	Tower
Dominick	McIntyre	Young, N. Dak.
Fannin	Montoya	

NAYS—46

Bayh	Eagleton	Holland
Bennett	Eastland	Hollings
Bible	Ellender	Hughes
Byrd, Va.	Ervin	Inouye
Byrd, W. Va.	Fulbright	Jordan, N.C.
Cannon	Gravel	Kennedy
Church	Harris	Long
Dodd	Hartke	Mansfield

McCarthy
McClellan
McGovern
Metcalf
Miller
Mondale
Muskie
Nelson

Pastore
Pearson
Pell
Randolph
Ribicoff
Russell
Spong
Stennis

Talmadge
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

PRESENT AND GIVING LIVE PAIRS,
AS PREVIOUSLY RECORDED—2

Griffin, against.
Hansen, against.

NOT VOTING—8

Anderson	Goldwater	Symington
Cook	Mundt	Thurmond
Cranston	Sparkman	

So Mr. PROUTY's amendment was rejected.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD of West Virginia. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from West Virginia (Mr. BYRD) proposes an amendment for himself and the Senator from Montana (Mr. MANSFIELD) as follows:

Strike out page 2 and insert in lieu thereof the following new page:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

I	II	III	IV	V	I	II	III	IV	V	
(Primary insurance benefit under 1939 act, as modified)	(Primary insurance amount under 1967 act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)	(Primary insurance benefit under 1939 Act, as modified)	(Primary insurance amount under 1967 Act)	(Average monthly wage)	(Primary insurance amount)	(Maximum family benefits)	
If an individual's primary insurance benefit (as determined under subsec. (d)) is—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	If an individual's primary insurance benefit (as determined under subsec. (d)) is—	Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	
At least—	But not more than—	At least—	But not more than—		At least—	But not more than—	At least—	But not more than—		
	\$30.36	\$85.90 or less	\$141	\$100.00		\$116.20	\$254	\$258	\$133.70	\$206.40
						117.30	259	263	134.90	210.40
\$30.37	30.92	87.20	146	100.30		118.60	264	267	136.40	213.60
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34.51	35.00	95.60	175	110.00		127.10	296	300	146.20	240.00
35.01	35.80	96.80	179	111.40		128.30	301	305	147.60	244.00
35.81	36.40	98.00	184	112.70		129.40	306	309	148.90	247.20
36.41	37.08	99.30	189	114.20		130.70	310	314	150.40	251.20
37.09	37.60	100.50	194	115.60		131.90	315	319	151.70	255.20
37.61	38.20	101.60	198	116.90		133.00	320	323	153.00	258.40
38.21	39.12	102.90	203	118.40		134.30	324	328	154.50	262.40
39.13	39.68	104.10	208	119.80		135.50	329	333	155.90	266.40
39.69	40.33	105.20	212	121.00		136.80	334	337	157.40	269.60
40.34	41.12	106.50	217	122.50		137.90	338	342	158.60	273.60
41.13	41.76	107.70	222	123.90		139.10	343	347	160.00	277.60
41.77	42.44	108.90	226	125.30		140.40	348	351	161.50	280.80
42.45	43.20	110.10	231	126.70		141.50	352	356	162.80	284.80
43.21	43.76	111.40	236	128.20		142.80	357	361	164.30	288.80
43.77	44.44	112.60	240	129.50		144.00	362	365	165.60	292.00
44.45	44.88	113.70	245	130.80		145.10	366	370	166.90	296.00"
44.89	45.60	115.00	250	132.30						

On page 9, after line 11, add the following new section:

"Sec. 6. (a) Notwithstanding any other provision of law, beginning with years beginning after December 31, 1972, the earnings

counted for benefit and tax purposes under titles II and XVIII of the Social Security Act and appropriate sections of the Internal Revenue Code shall be increased from \$7,800 to \$12,000.

"(b) The Secretary of Health, Education, and Welfare is directed to modify the table in section 215(a) of the Social Security Act to include benefits, consistent with the formula underlying the benefits in section 215

(a), for average monthly wages greater than \$650 but less than or equal to \$1,000."

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator from West Virginia is recognized.

Mr. BYRD of West Virginia. Mr. President, I have already explained the perfecting amendment which I have offered on behalf of myself and the able majority leader, the Senator from Montana (Mr. MANSFIELD). But for the benefit of Senators who were not here when it was explained, briefly, the amendment would provide as follows.

This is a perfecting amendment to the Long amendment. The Long amendment provides a 15-percent across-the-board increase in social security payments. This would mean that for the minimum payment, which is now \$55, there would be an increase of 15 percent, or something near \$8.25. This would mean a total minimum benefit of about \$64, as against \$55 as of now.

Under the perfecting amendment offered by the majority leader and me, the minimum benefit would become \$100, and we also propose the means for financing the increase. This is a fiscally responsible amendment. As the chairman has said so many times, it is futile to go to conference with increases in various benefits that would amount to a drain on the funds. This amendment is actuarially sound in that we are paying our own way.

We propose to increase the wage base from \$7,800 annually to \$12,000 annually, to take effect in 1973.

Mr. CURTIS. Mr. President, will the Senator from West Virginia yield for a brief question?

Mr. BYRD of West Virginia. I yield.

Mr. CURTIS. Is it not true that the entire cost of the program would be borne by those people who are getting more than \$7,800 and less than \$12,000?

Mr. BYRD of West Virginia. Well, those individuals in that range will pay an additional tax, but in the long run they will get higher benefits because an individual who pays a tax on a \$12,000 base, in the long run is going to get increased benefits.

Mr. CURTIS. What is the answer to my question?

Mr. BYRD of West Virginia. I thought that was the answer to the Senator's question.

Mr. CURTIS. The answer is yes? The Senator says that we pay our way, that the costs of the increase the Senator proposes would be borne solely and exclusively by those people whose wages and salaries are not less than \$7,800 and not more than \$12,000.

Mr. BYRD of West Virginia. But they will also be the beneficiaries, in the long run, along with others in the lower income ranges. Of course, the employer also pays.

Mr. BENNETT. If the Senator will yield at that point, is it not true that people who have salaries at \$7,800 are now getting more than \$100, so that by raising this up to \$100 the Senator will be benefiting a different group of people than those who will pay for the added benefit?

Mr. CURTIS. The Senator is getting the idea. [Laughter.]

Mr. BYRD of West Virginia. Those single persons who now receive more than \$100 will receive a 15-percent increase—

Mr. BENNETT. But they receive that under the bill, not under the Senator's amendment.

Mr. BYRD of West Virginia. That is true. The question here boils down to this. Do we want individuals who are now getting a minimum of \$55 a month to have only a 15-percent increase which will add up to a paltry \$64 a month, or do we want them to have at least \$100 a month?

That is the question.

Mr. BENNETT. If the Senator will yield further, has he estimated the drain on the social security fund before the additional funds come in, the drain for fiscal years 1971 and 1972?

Mr. BYRD of West Virginia. In answer to that question, there would be no drain on the trust fund—none whatsoever. As a matter of fact, the balance in the trust fund will increase. In 1970, there will be a \$32 billion balance in the fund. In 1971, there will be a \$37 billion balance in the fund, even with the 15-percent increase brought about by the amendment of the Senator from Louisiana (Mr. LONG). Thus, there will not be a drain. The balance in the fund will continue to increase and the fund will remain actuarially sound.

Mr. BENNETT. Would it not increase by \$2 billion more each, over the 2 years 1971 and 1972? Is there not an actual drain on the fund for those 2 years because of the Senator's amendment, on the \$2 billion balance, and then we begin to catch it up in 1973?

Mr. BYRD of West Virginia. The cost would be \$4½ billion for the 15-percent increase alone. For the additional increase up to \$100 in the minimum payment for a single individual and \$150 for a married couple, yes, the cost would be \$2 billion. Now, that additional cost would be more than offset by the proposed increase in the earnings base effective in 1973.

Mr. BENNETT. So it is not really fiscally responsible. The Senator will be saying, because there is a surplus in the fund, let us spend it now, rather than reserving it for the people in the future.

Mr. BYRD of West Virginia. No. Mr. President, we are not saying that at all. We are saying that there is a balance in the fund. We are saying, "Let us raise the minimum payment to an amount which is in conformity with the increase in the cost of living. Give the recipient at least \$100 a month."

Not only is there now a \$32 billion balance in the fund, but the balance in the fund will grow over and above the additional cost resulting from the \$100 minimum. In order to meet that cost, we propose to expand the wage base from \$7,800 to \$12,000 in 1973. In reality, we could go beyond that year and still be actuarially responsible.

Mr. BENNETT. Are not the obligations

under the social security system in terms of their responsibility to pay out social security benefits later? Are they not also growing? So that the Senator will be drawing against the future for at least \$2 billion for those 2 years?

Mr. BYRD of West Virginia. They are growing, but we are providing for that growth, over and above that, by making the expansion in the earnings base effective in 1973.

Mr. BENNETT. In other words, spend now and pay later.

Mr. BYRD of West Virginia. No. Spend now and pay now. I wish to emphasize the fiscal soundness of this amendment. In fact, the cost of the 15-percent increase without any provision for financing would be 1.24 percent of payroll. The present surplus in the fund is 1.16 percent. The Mansfield-Byrd amendment would cost 1.66 percent of payroll and the increase in the payroll would be 0.53 percent plus the existing 1.16 percent. Thus, this amendment would produce a surplus of 0.03 percent to the trust fund as opposed to a 0.08 percent deficit in the pending Long amendment.

Mr. SAXBE. If the Senator will yield, how much will this cost a wage earner making \$12,000 a year?

Mr. WILLIAMS of Delaware. If I may interject there, \$475 a year, which does not take effect until after they have voted in 1972.

Mr. HOLLAND. Mr. President, we could not hear that. Would the Senator from Delaware repeat his statement?

Mr. WILLIAMS of Delaware. \$475 for the individual to raise the extra tax, but it conveniently would not take effect until after he has voted in 1972.

Mr. SAXBE. If the Senator from West Virginia will yield again—

Mr. BYRD of West Virginia. The Senator from West Virginia has the floor.

The answer is, I am advised, to the Senator's first question, about \$250.

Mr. SAXBE. Well now, this is the bracket of most of the shopworkers today in my State. They are making more than the \$7,800 that they are now being charged for, and on up. The skilled workers and most of the shopworkers in my State pay on that wage base. This will come off their withholding, beginning in 1972, I take it. My experience with these people is that they are saying, that is all they can afford out of their salary checks on social security at the present time, and I do not think this will be very popular with those people.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator from West Virginia yield?

Mr. BYRD of West Virginia. Mr. President, by increasing the earnings base to \$12,000, the benefits for individuals so affected will be, accordingly, increased when it comes time for them to retire.

Mr. PASTORE. Mr. President, will the Senator from West Virginia yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. PASTORE. Is it not true, under the present base, that the terrific strain is on those earning up to \$7,800 a year, and what we are doing is lifting them up to \$12,000 so that we can give some of these people \$100 in order just to live,

and what they pay will be matched by the employer as well. That is what it amounts to, is that not correct?

Mr. BYRD of West Virginia. The Senator is correct.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I cannot support the amendment, but I do wish to compliment the distinguished Senator from West Virginia and the majority leader for offering it, because it is a fiscally responsible approach, since it would raise the money it takes to pay for the additional benefits.

But I feel I should point out that this amendment—and the same would be true of the Prouty amendment—has very little to do with need.

Many people would benefit from a \$100 minimum who cannot claim justification on the basis of equity or need. Many people who draw minimum social security benefits today did not spend much of their time working under social security coverage.

For example, some years ago I tried to make it optional for the firemen in my State of Louisiana, city by city, to come in under social security. They sent their representatives up here to say that they wished to be taken out from under such coverage, because they felt they had a better retirement program in Louisiana than under social security.

But if one of those firemen retired after a few years—and some of our firemen and policemen can retire after 20 years of service, even though they are still relatively young—and then went to work for the relatively short period necessary to qualify for the minimum under social security, he would receive these benefits even though he was drawing a generous retirement based on the work he did originally as a policeman or a fireman. Many persons now receiving the minimum social security benefit are not needy and could not qualify on the basis of their limited earnings under social security for any increase. But they would have an increase under the proposed amendment that would bring their benefits up to \$100 from the present \$55.

This would be true of a great number of State and local employees, and also of some of our Federal civil servants. Even a Senator who has spent a small period of time in work that entitled them to social security coverage might draw the minimum amount. Even though the Senate has a generous retirement program, and a Senator might be drawing \$12,000 a year in Senate retirement benefits, if he was receiving a minimum social security benefit we would be increasing his social security check from \$55 to \$100.

To take another example, some doctors and dentists who were only recently covered under the social security program, might be drawing minimum social security benefits. Some of them may have been benefited by the provisions of H.R. 10, for which the Senate voted. Some of them are drawing retirement benefits by virtue of various private retirement arrangements which will provide generous annuities for the remainder of their lives.

I bring this up so that Senators are not misled into the belief that those benefited by increasing the minimum are only needy people or people whose only income is their social security. Some of those people getting minimum social security benefits have little need for a substantial increase.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. DOLE. Who is eligible for the \$100 monthly payments for single persons and \$150 payments for families? What are the eligibility requirements? The Senator has indicated that many are not in need. Would the Senator inform us who would be eligible?

Mr. LONG. Anyone fully insured under the social security program would be eligible. Eventually a person will have to have 10 years of work in employment—covered under social security in order to be fully insured, although a number of persons are now fully insured with less than 10 years of coverage. In any case, anyone fully insured would receive a minimum benefit of \$100 under the amendment.

As I said, many of these people at the minimum have coverage under other retirement systems, such as the Federal civil service retirement system or private pension plans, even though they have worked long enough to have become fully insured under social security.

Mr. DOLE. The question I ask is, Do we have any way of knowing, as far as numbers are concerned, how many of these people may be in the so-called poverty level or are people who do not need social security benefits?

Mr. LONG. Unfortunately, I cannot answer the question in precise numbers for the reason that we have not had an opportunity to study this question in the Finance Committee.

Mr. DOLE. I wonder if the Senator from West Virginia could answer.

Mr. BYRD of West Virginia. The same question might be asked with regard to those people who are now drawing \$55 a month as a minimum. We may as well do away with those, on that basis.

Mr. DOLE. That begs the question.

Mr. BYRD of West Virginia. No, it does not beg the question.

Mr. DOLE. What are we voting for now? To give \$100 a month to millionaires, or to people who get little or nothing?

Mr. BYRD of West Virginia. What difference does it make? They have all paid their own way. There is no means test in the social security program.

Mr. LONG. Mr. President, if I might further respond to the question of the Senator from Kansas, there are about 3½ million people in the category to be benefited by the amendment. It is my understanding that if we raised the minimum to \$100, only about one-third of the additional benefits would go to persons in the poverty category. Two-thirds would go to persons who do not fall in the poverty category.

Mr. DOLE. So we are voting to spend I do not know how many millions of dollars for people who do not need the

money. I think perhaps we might call the amendment the "Political Security Amendment of 1969."

Mr. LONG. I would not so categorize it. However there would be many people who could not qualify for a minimum benefit of \$100 on the basis of need, although there are many who could.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. RIBICOFF. Mr. President, I think we are getting into a very complex situation. The objectives of the Senator from West Virginia and the Senator from Montana are certainly worthy. I do not think anyone can argue that anyone in the United States should have an income of less than \$100, but we are doing this in a very complex tax bill, without any idea of what we are doing to the social security fund.

The proposal of the Senator from Louisiana was a sound proposal because it was done after an examination of all the figures, after careful consideration by the House Ways and Means Committee, which insures the integrity of the social security fund.

The President of the United States has suggested a proposal of a minimum family allowance as an amendment to the welfare law. The House Ways and Means Committee has already had hearings on the question. My understanding is that it will be the first order of business when they return after the first of the year. That means the Senate Finance Committee, within a period of 3 or 4 months, will have before it clarifications and basic amendments of the social security law and what we do for minimum family allowances.

At that time, after full and complete hearings on a complex subject, it could very well take the United States into new directions in the whole field of social security and welfare.

I personally do not think we should try to write at this moment, in this complex bill, what the Senator from West Virginia and the Senator from Montana are proposing. I believe the Senate can wait another 3 or 4 months, after the completion of full and complete hearings on this complex subject, before we act on this proposal. I believe we will arrive at a sound, balanced program that will assure every family in this country a minimum of \$100 a month. I think we are acting very hastily in trying to adopt a proposal of this kind.

Mr. LONG. I appreciate what the Senator has said.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG. I will yield in a moment.

I appreciate what the Senator from Connecticut, who is a former Secretary of Health, Education, and Welfare, has said about this matter. The reason why I offered the 15-percent increase amendment I have offered is that there is no doubt whatever in my mind that this Congress sometime within the next 2 months will grant at least a 15-percent across-the-board benefit increase. But when we get to those other proposals,

meritorious though they may be, they will require very careful consideration.

Seven thousand pages of hearings have been accumulated in 5 weeks of committee consideration of the tax reform bill. We do know about the House tax reform bill and the amendments added to it. If we were given the opportunity to conduct hearings of half that length, we would be able to advise the Senate precisely about social security; which people would be benefited by what kind of amendment, who has the greatest need for benefit changes, and what people would benefit from increases even though they have less need for it.

A substantial increase in the minimum benefit, in my judgment, should await further study. The House Ways and Means Committee, having conducted lengthy hearings, and having all that information at their disposal, still says that we ought to wait until next year until they try to draft a bill to take into account the various questions such as that suggested in the amendment.

I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I thoroughly approve the position taken by the distinguished Senator from Louisiana and the distinguished Senator from Connecticut. I ask the Senator if it is not true that insurance—and that is what this is—would be drawn for 3 years by some 3 million persons at an increased amount, despite the fact that the funds necessary to support the payment of insurance benefits at that rate will not begin to be paid in until 1973.

Mr. LONG. The Senator is correct in what he has stated, although I must say to my friend from Florida that from an actuarial point of view, the amendment is sound.

Mr. HOLLAND. Perhaps it is, but we do not know, because we do not have that testimony before us.

The point I am making is that beneficiaries would be drawing insurance—and that is what this is—on a basis on which it is necessary to levy higher contributions from both employees and employers, 3 years before those contributions are to be paid in. I could never support anything which is said to be insurance, and is designed to be insurance, which is to be paid on a basis much more generous than the present and continuing rate of payments would support for 3 years.

Mr. LONG. The Senator is completely correct in what he has stated, although I should point out that over the long run, this amendment would be actuarially sound.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, the point made by the Senator from Ohio is very well taken, because there is no question but that the lower middle-income groups are facing a very heavy burden with this increased taxation. It could very well be, and it probably will, that if the President's proposal for a minimum family allowance is accepted by Congress, much of these payments will come

through general revenues, and not the social security system, and it will not necessarily cover merely people on welfare, but those who are below a minimum income, and the type of individuals that the Senator from West Virginia and the Senator from Montana seek to make the beneficiaries here will be the beneficiaries out of general revenues that will be paid by all taxpayers, corporations, and higher income taxpayers, and we will not necessarily be placing the burden on the wage earner.

The objective, may I say again, which the Senator from West Virginia and the Senator from Montana seek to achieve, is an objective to which we all must repair. I do not think we should seek to repair to it on the floor of the Senate at the present time, without hearings, on a very complex subject that will cover the official, and economic thinking, because that is what we will be facing next spring or next summer, and I do not think we should try to do it at this time.

Mr. LONG. I thank the Senator.

Mr. SAXBE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. SAXBE. I should like to pursue that point just a moment.

We think of a man who is earning between \$7,800 and \$12,000 as being a big earner. But I point out that with sweepers earning \$4.50 an hour in automotive plants and most other manufacturing plants, and with all of the building trades people earning from \$5 an hour upward, this would throw the great mass of regular wage earners into a large increase in a payment that most of them are complaining about already. When that \$22.50 a month waltzes across that payroll, we will hear some louder screams than we are beginning to hear already.

I agree with the Senator from Connecticut that we have a responsibility to these older people, who thought they were buying a secure insurance policy when social security was started, and are now not getting that. We have relegated those people to a poverty standard today, and I certainly agree that we do owe them a minimum of \$100 a month on a net basis, because we are not living up to the contract we wrote to those people when they bought this insurance out of depression dollars, when they were earning \$25 to \$50 a week, rather than \$150 to \$200.

Nevertheless, I think that before we put this burden on the 25-year-old man, who is paying for a house and trying to raise a family and never has enough money to go around, we had better think twice about it.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. GURNEY. The Senator from Ohio has brought out the fact that this is a considerable added burden as far as wage earners are concerned. It has often been mentioned, particularly by people who are interested in small business, that the backbone of private enterprise in this country is the small business people, those who are self-employed. How much out of the hides of those self-employed people would this plan propose to take?

Mr. LONG. I do not have the exact figure, but assuming a self-employed person is making \$12,000 a year or more, starting in 1973 his tax would be upward of \$300 a year more than under present law.

Mr. GURNEY. The point I am trying to make is that the amount of the increase in the wage earner's tax is about \$250 a year, but for the small businessman it is considerably greater. My own information is that, instead of \$300 per year, the increase would be about \$358. Believe me, that is a crushing burden on some of these small business people who are the backbone of American private enterprise, and make something like about \$7,800 to \$12,000 a year. I believe they have enough burdens without our imposing this additional burden upon them.

Mr. LONG. The increase in the taxes for the self-employed person would be about \$321 in 1973.

Mr. PROUTY. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. PROUTY. In view of the fact that the distinguished chairman of the Committee on Finance expresses considerable doubt that the House conferees would consider an increase to \$70, does he believe now that there is any remote possibility of the other body agreeing to the proposition which has just been advanced?

Mr. LONG. I cannot assure the Senator at all that they would accept it. All I can say to the Senator is that they would not be turning us down for the reason that they have turned us down repeatedly in the past, namely on the grounds that the proposal did not have a tax to pay for it. That is one type of case where they have consistently said, "No," in such emphatic terms that we had to pretend we had not been insulted to arrive at the conclusion that we had not been. That is the type of attitude they have taken whenever we have insisted on an amendment to the Social Security Act that is not self-financing.

Mr. PROUTY. That was my thought, but I felt they might accept the \$70. I am faced with a real problem, because I feel that this is an appropriate level, and I may vote for the amendment, though by doing so I know I shall be wasting a vote, because nothing will ever happen.

Mr. PERCY. Mr. President, today I have supported the President's social security proposals which would have increased social security benefits 10 percent across the board. I also supported the Prouty amendment which would have increased benefits 15 percent financed out of the surplus in the social security trust fund.

However, I cannot support proposals whose benefits to certain beneficiaries are outweighed by the cost in inflation to many more in our society. Particularly affected by such measures are those who can afford it least—the poor, the retired, and those living on fixed incomes.

I intend to vote against any legislation whose benefits in my judgment are overshadowed by costs to many through inflation and/or increased taxes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia (Mr. BYRD) and the Senator from Montana (Mr. MANSFIELD). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS (when his name was called). On this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH) and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from Illinois (Mr. SMITH). If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 48, nays 41, as follows:

[No. 177 Leg.]

YEAS—48

Alken	Hollings	Moss
Bayh	Hughes	Muskie
Bible	Inouye	Nelson
Brooke	Jackson	Pastore
Burdick	Javits	Pell
Byrd, W. Va.	Kennedy	Prouty
Cannon	Magnuson	Proxmire
Case	Mansfield	Randolph
Church	McCarthy	Russell
Dodd	McClellan	Schweiker
Eagleton	McGee	Smith, Maine
Fulbright	McGovern	Spong
Gravel	McIntyre	Tydings
Hart	Metcalf	Williams, N.J.
Hartke	Mondale	Yarborough
Hatfield	Montoya	Young, Ohio

NAYS—41

Allen	Ervin	Miller
Allott	Fannin	Murphy
Baker	Fong	Packwood
Bellmon	Goodell	Pearson
Bennett	Gore	Percy
Boggs	Griffin	Ribicoff
Byrd, Va.	Gurney	Saxbe
Cooper	Hansen	Scott
Cotton	Harris	Stennis
Curtis	Holland	Talmadge
Dole	Hruska	Tower
Dominick	Jordan, N.C.	Williams, Del.
Eastland	Jordan, Idaho	Young, N. Dak.
Ellender	Long	

PRESENT AND GIVING A LIVE PAIR,
AS PREVIOUSLY RECORDED—1
Stevens, for.

NOT VOTING—10

Anderson	Mathias	Symington
Cook	Mundt	Thurmond
Cranston	Smith, Ill.	
Goldwater	Sparkman	

So the amendment of Mr. BYRD of West Virginia and Mr. MANSFIELD was agreed to.

Mr. BYRD of West Virginia. Mr. President, I move to reconsider the vote by which the amendment was adopted.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRIS obtained the floor.

Mr. GRIFFIN. Mr. President, will the Senator yield to me so that I may make an inquiry of the majority leader?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Michigan for that purpose, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRIFFIN. Mr. President, while the Members are in the Chamber, I take this time to ask the majority leader whether he can give us some information as to what we might expect during the remainder of today and for tomorrow.

Mr. MANSFIELD. I will be glad to respond to the question of the distinguished acting Republican leader by saying that we hope to be able to have three, four, or five more votes today. We are coming in at 9 o'clock tomorrow morning. We are going to stay on the tax bill. Hopefully, we may be able to finish it tomorrow night. I think the chances are fair, if not excellent.

I have been informed by several Senators that they really mean business, that if there are no amendments available, we will go to third reading.

I am therefore glad to give this information in open to all the Senators: that there will be votes tomorrow—hopefully, many—that there is a possibility that the bill will be finished tomorrow night, and that so far as the appropriation bills are concerned, we can let them wait for a while.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I concur in what the majority leader has said. I think the Members should be advised that if they have amendments they should be here and offer them. We are going to act on them as expeditiously as possible, and we hope that everyone has a chance to offer his amendment.

But when we reach the point that there are no other amendments I expect to call for a third reading and final passage. I think the Members should be on notice to have their amendments ready.

After all, there are only 16 more shopping days between now and Christmas, and we are dealing with a Christmas tree bill. We had better get busy and get the ball rolling. [Laughter.]

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Rhode Island without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, could we be given an idea as to how many amendments there are?

Mr. MANSFIELD. I would say there are probably 30 at the desk, but, as always, not all will be called up. But we have the amendment of my distinguished colleague from Montana on deck. We will have one from the distinguished Senator from Oklahoma. We have one from the distinguished Senator from Connecticut, and one from the distinguished Senator from Michigan.

Mr. PASTORE. Could we not get a unanimous-consent agreement? Could we not get a unanimous-consent agreement to finish this bill?

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Louisiana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that debate on further amendments be limited to 1 hour, to be equally divided between the sponsor of the amendment and the manager of the bill, and that the time on the bill be limited to 3 hours.

Mr. ALLOTT. I object, Mr. President.

Mr. METCALF. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HARRIS. Mr. President, I believe I have the floor.

Mr. METCALF. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I have been trying to bring up a complicated amendment, and many Senators on both sides of the aisle have asked for an opportunity to speak on it. I feel that an hour is not sufficient in which to adequately debate the amendment and to adequately allow the various Members to talk about the position they are going to take. I therefore object.

Mr. HARRIS. Mr. President, I have an amendment on which I am willing to agree to a time limitation. It is a perfecting amendment to the pending Long amendment.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

REQUEST FOR AUTHORIZATION
FOR SUBCOMMITTEE ON HEALTH
TO MEET ON MONDAY AND TUESDAY,
DECEMBER 8 AND 9, 1969

Mr. MANSFIELD. Mr. President, I believe this has been cleared all around. I ask unanimous consent that the Sub-

committee on Health of the Committee on Labor and Public Welfare be permitted to meet on next Monday and Tuesday, in executive session, on the matter of population problems. This request is made because many witnesses are coming in from all parts of the country, and if the request is not granted, they will have to be notified not to come.

Mr. JAVITS. Mr. President, I have no knowledge of the meeting. It is fine with me.

Mr. MANSFIELD. The Senator from Missouri (Mr. EAGLETON) raised the question.

Mr. JAVITS. I am not aware of it.

Mr. MANSFIELD. If the Senator does not want it, I will be glad to withdraw the request.

Mr. JAVITS. No.

May I ask that the Senate do this: We are trying to get out the education bill, and we are meeting on Monday at 6 p.m., and the Senate may still be in session at that time. Could we have unanimous consent to do that on Monday?

Mr. DOMINICK. I cannot be here on Monday evening. I will have to be away.

Mr. MANSFIELD. We will try to do what we can. At this time, this is because of the unusual circumstances.

Mr. DOMINICK. This is the Subcommittee on Health of the Committee on Labor and Public Welfare?

Mr. MANSFIELD. Yes.

Mr. DOMINICK. I have not heard about this, and I am the ranking minority member of that subcommittee.

Mr. MANSFIELD. Mr. President, I withdraw the request.

I thank the distinguished Senator from Oklahoma for yielding to me.

MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett one of its reading clerks, announced that the Speaker had affixed his signature to the bill (S. 118) to grant the consent of the Congress to the Tahoe regional planning compact, to authorize the Secretary of the Interior and others to cooperate with the planning agency thereby created, and for other purposes, and it was signed by the President pro tempore.

TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HARRIS. Mr. President, I ask unanimous consent that I may yield to the Senator from Louisiana without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I ask unanimous consent that debate on the Harris amendment be limited to 40 minutes, the time to be equally divided between the manager of the bill and the Senator from Oklahoma.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. I object.

Mr. HARRIS. Mr. President, I send to the desk two amendments which are related to each other and which are a part of the same thing. They are perfecting amendments to the Long amendment. I ask unanimous consent that they may be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. HARRIS. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments, ordered to be printed in the RECORD, are as follows:

At the appropriate place in Amendment No. 367 add the following new section:

"DISREGARDING OASDI BENEFIT INCREASES TO THE EXTENT ATTRIBUTABLE TO RETROACTIVE EFFECTIVE DATES

"SEC. —. Notwithstanding any other provision of law, there shall be excluded in determining the income of any individual or family for purposes of title I, IV, X, XIV, or XVI of the Social Security Act (in addition to any other amounts so excluded or disregarded) any amount paid to such individual in any month under title II of such Act (or under the Railroad Retirement Act of 1937 by reason of the first proviso in section 3(e) thereof), otherwise than as the regular monthly payment due such individual for the preceding month, to the extent that such payment is attributable to an increase under this Act or a subsequent Act (resulting from the enactment of a retroactive general increase in primary insurance amounts under such title II) in the amount of the monthly benefits payable under the old-age, survivors, and disability insurance system for one or more months before the month in which such payment is received."

At the proper place in the bill, insert the following:

"DISREGARDING OF INCOME IN DETERMINING NEED FOR PUBLIC ASSISTANCE

"SEC. —. (a) In addition to the requirements imposed by law as a condition of approval of a State plan to provide aid or assistance in the form of money payments to individuals under title I, X, XIV, or XVI, of the Social Security Act, there is hereby imposed the requirement that—

(1) in determining need of any adult individual for such aid or assistance, the State agency administering or supervising the administration of such plan shall disregard \$7.50 per month of income of such individual, and

(2) (A) each individual receiving such aid or assistance for any month shall realize an increase in the amount of his benefit in the form of money payments of \$7.50 per month, whether increase is brought about by reason of the application of clause (1) or otherwise, and

(B) in the administration of any such plan, there shall be used for the purpose of providing the increased benefits required by subclause (A), an amount equal to any savings realized in the provision of such benefits by reason of the amendment, in this Act, of any provision increasing the amount of monthly benefits payable to individuals under title II of the Social Security Act.

(b) If, as a result of the application of the requirements imposed in clauses (1) and (2) of subsection (a), any State incurs in the operation of its State plan (referred to in subsection (a)) for any calendar quarter, expense in excess of the amount of expense it would have incurred if such requirements had not been applied, then, it shall be entitled to be paid, out of any money appropriated by the Federal Government to assist the State in carrying out such plan, an additional amount equal to the amount of such excess.

(c) Any additional amount to which a State is entitled under subsection (b) with respect to a State plan (referred to in subsection (a)) shall be made in accordance with the same methods, and otherwise in like manner, as are the payments which such State is entitled to receive with respect to such plan under other provisions of Federal law.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. HARRIS. I yield to the Senator from Montana.

Mr. WILLIAMS of Delaware. Mr. President, may we have the amendments read?

Mr. HARRIS. I think I can explain them quickly to the Senate.

Mr. BYRD of West Virginia. Mr. President, the Senator can explain the amendments if he can be heard. Will the Chair please enforce order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

ORDER FOR RECOGNITION OF SENATOR HOLLAND TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the prayer tomorrow the distinguished Senator from Florida (Mr. HOLLAND) be recognized for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR TOMORROW

Mr. MANSFIELD. Mr. President, for the information of the Senate there will not be a morning hour or a period for the transaction of routine morning business tomorrow. After the Senator from Florida concludes his remarks we will proceed directly to the consideration of the amendments on the bill.

TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. HARRIS. Mr. President, I think Senators will support this amendment. If I may have the attention of Senators I can explain it briefly.

The effect of this amendment, which is in two parts, is to pass along to the aged, blind, and disabled, a \$7.50 increase in assistance, which we can do without additional funds.

If I may have the attention of the

distinguished Senator from Delaware I can explain the amendment briefly.

Mr. WILLIAMS of Delaware. I am trying to find out how many millions are involved in the Senator's amendment.

Mr. HARRIS. I just told the Senator there are no millions involved as far as additional Federal contributions are concerned. But since the Senator asked for the explanation I would be glad to explain it.

Mr. WILLIAMS of Delaware. I would be glad to have the Senator explain it but I will get the information on my own.

Mr. HARRIS. The Senator from Delaware is quite able to get his own information but I was trying to be helpful to him, inasmuch as I had asked unanimous consent that the amendment not be read. Is there objection to that? If there is no objection I can go ahead and explain it, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and the Senator may proceed.

Mr. HARRIS. Mr. President, this amendment is in three parts and each part is very simple.

The first part has to do with the fact that the social security increase of 15 percent, which is contained in the Long amendment, will not be paid to social security recipients until April of next year. There are some 1.5 million people in America who receive some social security and some welfare assistance by reason of being aged, blind, or disabled. The first part of the amendment would provide that, when they receive that social security payment in April, a part of which will be retroactive, the welfare department in the particular State will not consider the increase in social security which they will be receiving retroactively as resources available to the welfare recipient and go back and figure that in and deduct that amount from money the welfare recipient received prior to April.

I think the Social Security people and the welfare departments of the various States would say to Senators, the same as some of them have said to me, that it would cause all sorts of difficulty, more than it is worth, if they had to go back and deduct that amount of money already paid because of retroactive social security payments that we are about to vote on in the Long amendment. That is the first part of the amendment. It is very simple.

The second part of the amendment provides that the 1.5 million people who are aged, blind, or disabled, and who receive some social security and some welfare assistance—who otherwise in most of the States under the Long amendment would receive no increase because their welfare assistance payments would simply be reduced by the amount of money their social security payment is increased—will receive an additional \$7.50 by the provision in the amendment which states that the first \$7.50 received by such welfare recipients through the social security increase will not be counted as income to be deducted from what they would otherwise get from welfare.

Mr. President, the third part of the

amendment is similar. It deals with a different and an additional 1.5 million people who are aged, blind, or disabled and who are receiving no social security. This part of the amendment provides that those 1.5 million people would receive, through this amendment, an additional \$7.50 a month, the same as the other people; the effect would be that those who are receiving only public assistance because they are aged, blind, or disabled would receive the same kind of increase that the social security recipients are going to receive if, as I hope we do, we adopt the Long amendment.

That portion of the amendment will be funded in this manner: The welfare department in a State will receive a windfall by the passage of the Long amendment; by increasing social security payments, their funds required to match Federal assistance would be reduced; and the amendment provides that they will take that savings realized through the social security increase and use it to pass along at least \$7.50 as an increase to welfare recipients, who are aged, blind or disabled.

The amendment provides, to be sure we are not going to require a State to put up more money than it is now, if the realized saving is not sufficient, the difference will be made up by Federal contribution. However, I am informed by the staff of the Committee on Finance that, first of all, there will be a negligible additional expenditure required by the States, if any, and to the degree the Federal contribution is required, that will come out of money the Federal Government is now spending from the general fund for welfare which it will not have to spend because of increased payments out of the social security trust fund.

Mr. President, all of that sounds complicated but the fact is that there are 3 million Americans who are aged, blind or disabled and who, by the passage of the 15-percent increase in the social security payments, will in large part receive no increase whatever, despite the fact that those 3 million Americans probably are in greater need, or at least in as much need, as those who would receive an increase in social security.

I hope the amendment is agreed to.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HARRIS. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. In the Senator's amendment is there provision to insure compliance by the State welfare departments by the withholding of Federal welfare contributions or in some other manner so that his amendment will be complied with by the State departments?

Mr. HARRIS. Yes. The language for the amendment was drawn with the help of the staff of the Committee on Finance. We have a precedent for this action. The last time we voted a social security increase we had a \$7.50 pass-along and this amendment would again provide for that \$7.50 pass-along.

I have heard from the director of the welfare department of my State that this is a fair thing to do. There are some 81,000 Oklahomans who will get this

pass-along increase under this amendment. I think this is only equity. There is a careful discussion of this matter, printed in yesterday's CONGRESSIONAL RECORD by Representative PHIL BURTON, of California, with whom I have talked about it.

The distinguished Senator from Texas (Mr. YARBOROUGH) joins with me in the presentation of this amendment and is very interested in it.

I almost forgot one other point. If we do not do this now and if we wait until we come back and do it in April, it will be too late in most of the States because most of the States will probably have made up their budgets, and would have already figured into them the savings they will have under the proposed social security increase. So, if we do it, we need to do it now in conjunction with the social security increase.

Mr. COTTON. I am entirely in sympathy with the objective of the Senator's amendment. It only occurred to me and I recall the last time we did that, there was a provision that States that did not see fit, if they failed to comply with this admonition; namely, not to withhold welfare funds because of the accumulated social security, that there would be a withholding of Federal contributions to the welfare funds and that assured compliance by the States. No doubt most States would comply willingly and voluntarily, but I do not say that we could be sure unless in the Senator's bill itself, or the appropriation bill we bring in from HEW, or somewhere along the line, there is some policing provision so that the States cannot disregard this admonition.

Mr. HARRIS. I assure the Senator that they cannot, that that has been carefully worked out and worded in the amendment. I invite his attention to the actual words.

May I state further to the Senate that this provision does not apply to other forms of assistance. I wish we could have gotten something together soon enough so that all forms of assistance might receive some increase. However, I learned only yesterday that this 15-percent social security increase would be considered today. I think that if we made this amendment too inclusive, too controversial, or too complicated, we would not be able to get it adopted. We have a good chance to get this adopted and then, hopefully, after the first of the year, as has been mentioned by the distinguished Senator from Connecticut (Mr. RIBICOFF), we can make a wholesale review and revision of the entire welfare system.

In the meantime, if we are going to do equity by Christmas to the social security recipients by giving them, as we should, a 15-percent increase, we should also do equity to the 3 million other aged, blind, or disabled Americans who would not otherwise, probably, get an increase under the Long amendment.

Mr. LONG. Mr. President, I am in sympathy with what the Senator from Oklahoma is seeking to achieve. I understand what he has in mind. He wants to try to reach the objective of seeing to it that those who get the social security in-

crease will not have their welfare checks cut to the extent of the social security increase. It is a frustrating experience for anyone to hear that Congress has voted an increase in his social security benefits, only to find that, if he is on welfare, the welfare department, having heard about the increase in social security benefits, has cut his check before he receives the increase in his social security.

The Senator from Oklahoma wants to assure that that does not happen.

That will be difficult to do because it is complicated and brings in other problems, like difficulties of administration, and so forth. But the purpose is worthy, even though it will be complicated by adoption of the Byrd-Mansfield amendment which increases the minimum payment up to \$100.

Personally, I would be willing to go to conference with the amendment to see what we can work out, and I would do the best we can to perfect the amendment in conference, if the House is willing to consider it. I would personally not be opposed to the amendment and would be happy now to yield time to anyone opposing it.

It would create technical and administrative problems, but if they can be worked out—and perhaps we can do that in conference because I believe the Senator has a very noble purpose in offering his amendment—I am sure the amendment will undoubtedly do some good in preventing cutbacks which need not occur where the States are able to continue their present level of welfare.

Mr. President, I would be happy to yield time to Senators who would be in opposition to the amendment; otherwise, I am ready to yield back the remainder of my time.

Mr. HARRIS. Mr. President, I yield back the remainder of my time.

Mr. LONG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), and the Senator from Missouri (Mr. SYMINGTON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH),

and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 77, nays 10, as follows:

[No. 178 Leg.]

YEAS—77

Alken	Gurney	Murphy
Allen	Harris	Muskie
Baker	Hart	Nelson
Bayh	Hartke	Packwood
Bellmon	Hatfield	Pastore
Bible	Holland	Pearson
Boggs	Hollings	Pell
Brooke	Hughes	Percy
Burdick	Inouye	Prouty
Byrd, Va.	Jackson	Proxmire
Byrd, W. Va.	Javits	Randolph
Case	Jordan, N.C.	Ribicoff
Church	Jordan, Idaho	Russell
Cotton	Kennedy	Schweiker
Dodd	Long	Scott
Dole	Magnuson	Smith, Maine
Dominick	Mansfield	Spong
Eagleton	McClellan	Stennis
Eastland	McGee	Stevens
Ellender	McGovern	Talmadge
Ervin	McIntyre	Tydings
Fannin	Metcalfe	Williams, N.J.
Fong	Miller	Yarborough
Fulbright	Mondale	Young, N. Dak.
Goldell	Montoya	Young, Ohio
Gore	Moss	

NAYS—10

Allott	Griffin	Tower
Bennett	Hansen	Williams, Del.
Cooper	Hruska	
Curtis	Saxbe	

NOT VOTING—13

Anderson	Gravel	Sparkman
Cannon	Mathias	Symington
Cook	McCarthy	Thurmond
Cranston	Mundt	
Goldwater	Smith, Ill.	

So Mr. HARRIS' amendment was agreed to.

AMENDMENT NO. 380

Mr. STEVENS. Mr. President, I send to the desk an amendment, and ask that it be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. STEVENS. Mr. President, I am submitting an amendment to the Tax Reform Act to retain the 7 percent tax credit for taxpayers who make investments in depressed areas that create new jobs. The credit is limited to an amount which is directly proportional to the number of new jobs the investment will create.

My amendment is designed to operate separately from the amendment of the Senator from Indiana (Mr. HARTKE) for small business investment, which the Senate adopted Wednesday, but contains safeguards to assure that my amendment cannot be used to get a credit on property already receiving a credit under Mr. HARTKE's amendment.

Chronic unemployment in certain areas still persists in our country today. In 1968, that last year for which complete figures are available, the Department of Labor classified some 490 areas

as depressed areas having chronic unemployment above 6 percent. A total of 434,000 people are now unemployed in depressed areas. In my State of Alaska the entire State suffers from unemployment at a staggering 9.1 percent in the summer and 12 percent in the fall and winter months. And this does not account for some 12,000 persons that are not even included in the work force.

One major contributor to high unemployment in many areas is the outmigration of the farm population to depressed areas. For that reason, my amendment defines depressed areas to include both areas in which the unemployment rate exceeds 6 percent and areas in which the farm population has declined substantially. In this way, my amendment will provide an incentive to create jobs in areas of high unemployment and in farm areas that might otherwise contribute large numbers of unemployed persons to these already depressed areas. Thus, my amendment is designed to correct the problem of unemployment in depressed areas and simultaneously create new jobs in areas which have been a principal source of unemployed persons in the past.

The administration has already indicated that it is dedicated to getting America back to work. Its family assistance program is designed to encourage unemployed and underemployed persons to seek more income. But direct Government assistance can only do so much, and the real solution lies in the creation of new jobs in the private sector.

My amendment will offer an incentive to the private sector to create jobs and is so designed that it will cause essentially no net loss of revenue to the Treasury.

In order to accomplish this end of so limiting the credit to assure my amendment would be noninflationary and to tie the total amount of the investment that would be eligible for the credit to the number of new jobs created, it was necessary to determine how much investment is required to create one new job. Two approaches were used.

In the first approach, the total cost in 1968 dollars of the American manufacturing plant and equipment was divided by the total number of employees in the manufacturing industry. The figure that resulted was \$15,000. In other words, if we built a manufacturing plant equal in size to the total U.S. manufacturing industry and thus created the number of jobs that existed in that plant in 1968, the cost per job created would be \$15,000.

The second method is more complex. We began with the total investment made in 1967 by the manufacturing industry. The Office of Business Economics, Department of Commerce, which supplied all these figures, estimates that roughly half of the investment was used to expand facilities. The remainder replaced existing older equipment. Dividing that part of the investment representing expansion by the number of new jobs in manufacturing that resulted in the ensuing year, we arrived at a figure of \$27,000. Approximately one-third of the investment represents property not

eligible for credit under present rules. This leaves \$18,000 of credit eligibility per new job created.

My amendment uses the lower figure of two derived. It requires the taxpayer to project the number of new jobs that will be created by his investment. He then multiplies that number by the \$15,000 figure to determine the maximum value of property that will be eligible for the credit. Thus, if a taxpayer invests \$200,000 in plant expansion which would be eligible for the credit under existing qualifying rules and which would create 10 new jobs, \$150,000 of the investment will be eligible for the credit.

Accordingly, the Department of Labor indicates that in 1968 there were approximately 434,000 unemployed persons located in areas defined in my amendment as depressed areas. If the entire tax credit that would be available under my bill was in fact used, the total tax credits available would be \$455.7 million—434,000 times \$15,000 times 7 percent.

But, in order for this credit to be available, 434,000 new jobs would have been created. The revenues that result from the increased employment must, therefore, be offset against the revenue loss resulting from the credit. The two main sources of revenue are increased personal income taxes and reduction in Federal outlays under the family assistance benefit program.

Labor Department statistics show that 28.6 percent of the unemployed have head-of-the-household status. This

means approximately 124,000 of the 434,000 unemployed in depressed areas would be entitled to benefit under the family assistance program recommended by President Nixon. If these people were employed, the Federal Government would save approximately \$198.4 million in benefits.

In addition, 434,000 new taxpayers would be created. Assuming an average income of \$6,200 per employee—the national average—and calculating their taxes by using demographic statistics obtained from the Department of Labor, the increase in tax revenues would be \$246.7 million. Thus, these two factors alone would reduce the loss of revenue from the credit to \$10.6 million, and this does not take into account other revenue benefits which follow increased employment generally.

Thus, my amendment would provide an incentive to the private sector to create jobs in areas of high unemployment, without creating a significant loss in revenue and perhaps even a net gain. I urge Senators to give this amendment favorable consideration.

I ask unanimous consent to have printed in the RECORD a table showing how my amendment would work if all unemployed persons in areas having 6 percent unemployment or greater were employed as a result of investments eligible for the credit.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1

	Number	Average income ¹	Tax ²	Revenue gain (+) or loss (—)
Total unemployed in areas having 6 percent or more unemployment.....	434,000			
Heads of households (average 2 adults and 2 dependent children).....	124,000	\$6,200	\$327	+\$40,500,000
Married with no dependent children.....	119,000	6,200	577	+\$68,700,000
Unmarried persons.....	191,000	6,200	720	+\$137,500,000
Total family assistance benefit saved (124,000 × \$1,600).....				+\$198,400,000
Total qualified investment possible (434,000 × \$15,000).....	\$6,510,000,000			
Maximum credit that could be taken (7 percent of \$6,510,000,000).....	\$455,700,000			—\$455,700,000
Net cost of my proposed amendment.....				\$10,600,000

¹ Assuming they were employed at the average income of employed persons.

² Assuming \$800 exemption and 10 percent standard deduction.

³ This figure would be the maximum revenue loss. Since the credit available is in direct proportion to the number employed, fewer new jobs would mean proportionately less revenue loss.

AMENDMENT NO. 367

Mr. GURNEY. Mr. President, I wish to go on record in support of the amendment offered by the distinguished Senator from Louisiana (Mr. LONG). Amendment No. 367 would provide an increase of 15 percent in social security payments.

Mr. President, today approximately 20 million Americans are over the age of 65, and there is another group of approximately 8 to 9 million Americans who are now between the ages of 60 and 65. It is estimated that approximately 71 percent of this 20 million, roughly three out of four, are living on incomes of less than \$2,000 per year. Many of our citizens in this age group went to work for the first time during the years preceding and following the first World War. Very many of these citizens have been making contributions to the social security system since its inception in 1935. They are now retired and living on fixed incomes. They

are the victims of an inflationary spiral which they did not cause and have nothing to do with. The social security system was intended initially as an additional cushion for the retirement years, but many of our older people have come to regard it as the only source of their subsistence. For generations since World War II, the current working generation, there are many plans for company pensions and retirement programs, separate and apart from and in addition to social security. But for the older citizens, the presently retired citizens, it is too late. It is not however, too late for the Congress of the United States to do something about their plight. The problem should be attacked on several levels: We should, I think, remove the restrictions which now prevent a man from collecting social security if he earned an income in excess of \$1,680. We can I think, key the future benefits of the so-

cial security to the increases in the cost of living as they occur, automatically without waiting for separate congressional action on each increase. This, of course, is in line with the President's proposals on social security.

Turning to the measure which we have before us today, I think that a 15-percent increase is not out of line in any way. It is estimated that this increase will cost approximately \$4 billion but it will not require an additional tax on payroll. It will be paid for out of actuarial surpluses Old Age and Survival Trust Fund.

We hear a lot of talk today about priorities. This, in my view, should be given a high level priority. The figures on inflation nationwide are indisputable. We cannot expect our older citizens, our citizens who no longer have the capacity to enter the labor market, to absorb these increases out of savings. Very often there are no savings. But the increases in the cost of living must be met by these citizens as by everyone else. It seems to me to be the duty of the Congress to act to help these people at this time. They have turned to us because we are their only hope: We can allow them to live in dignity and with self-respect. We can afford to bear the additional cost. In my judgment, Mr. President, we cannot let these people down. I would urge all my colleagues to give favorable consideration to this amendment.

Mr. HARTKE. Mr. President, I am happy to express my support for the amendment submitted by the distinguished chairman of the Finance Committee. As he knows, I have long shared his concern for the problems of our senior citizens.

For many Americans today retirement means poverty. Because of the patent inadequacy of the social benefits we now pay, many elderly experience true poverty for the first time when they try to subsist on their social security payments. A man works hard and well, and his reward for a lifetime of effort is humiliation, deprivation, and a constant fear that his benefits will not suffice to meet even his most basic needs. It is a sad fact, but true, that many elderly Americans today fear this economic insecurity much more than they fear death itself.

This problem of extremely low incomes is further aggravated by the fact that more Americans are spending more years in retirement periods of uncertain lengths than ever before thus causing a mounting strain on their already limited resources.

Yet as serious as the situation is today, it will deteriorate even more dramatically in the years ahead unless something is done—and done quickly. A rise in earnings of 4 percent annually—not an unrealistic figure in this era of the wage-price spiral—means that consumption levels will approximately double in the next decade, thereby placing those on fixed incomes at an even more serious disadvantage in the marketplace.

This disadvantage is seriously heightened by the present inflation which continues to rage unabated. Last year the cost of living rose more than 5 percent, a clearly unacceptable figure, yet econo-

mists predict that it will be even higher this year. Since 1965, our elderly citizens have been robbed of \$3 billion in purchasing power by inflation. Inflation has already robbed social security recipients of the 13-percent increase in benefits most recently approved by Congress.

If we consider the steady rise in the Consumer Price Index, we realize that the benefits to retirees have barely kept up with the increase in the cost of living. It is clear that unless there is a sudden stabilization of prices—which is unlikely—these retirees will lag again in purchasing power in the near future.

In March 1969 the consumer index stood at 125.6; by September 1969 it had increased dramatically to 129.3. Now if we look at the total increase in the Consumer Price Index since Congress last acted on social security benefits, we see that the index has gone up 11.1 points, which translates into a 9.4-percent increase in prices. By projecting the level of the Consumer Price Index into 1970 on the basis of past increases, we are forced to conclude that a 10-percent increase in benefits would hardly get retirees through the spring; and that even a 15-percent benefit would be neutralized by July or August. These conclusions are not the product of my imagination, but of cold, hard, irrefutable mathematical facts. I am not guessing when I say that with a 10-percent increase the retiree would be receiving benefits that are just about \$3 more than the amount that will be needed to maintain parity with prices in March 1970.

Unless the effort is made to grant the needed increase in social security benefits, there can be no doubt that by the end of the year the Government will be deeply in debt to millions of senior citizens. Such a situation would be unacceptable to the American people, and I am sure, to the Members of Congress.

So certain was I that this systematic pauperization of our elderly cannot be allowed to continue, that on October 29, I introduced an amendment—No. 256—to H.R. 13270 which provides for an immediate across-the-board increase in social security benefits of 15 percent.

This amendment was then considered in executive session of the Senate Finance Committee where it was defeated by a vote of 9 to 4 with the Senator from Virginia (Mr. BYRD), the Senator from Oklahoma (Mr. HARRIS) and the Senator from Minnesota (Mr. McCARTHY) joining me in support of it. It was defeated even though it had been admitted by the Social Security Administration that such an increase would not necessitate any increase in the social security payroll tax. This is the case since the social security fund presently has a surplus well in excess of \$4 billion or about 1.16 percent of payroll.

I am painfully aware that in Congress, progress, if it comes at all, usually comes as the result of slow and laborious effort. I am heartened, therefore, that there appears to be so much support here in the Senate for this 15-percent increase.

It appears to be the consensus now that lengthy hearings on the need for a dramatic increase in social security benefits would only belabor that which is

already painfully obvious: three out of 10 Americans 65 and older now live in poverty whereas only one out of 10 younger Americans are poor. In simple terms millions of elderly Americans do not become poor until they become old.

This injustice—this inequity—must be stopped and it must be stopped now. It is the right—I repeat, right—of every elderly American to live out his remaining years in modest dignity and comfort. If he does not have the personal resources to provide such a life for himself, it must be provided for him. Certainly, the true test of a Nation's greatness is to be found in its treatment of those "who are about to leave the fair." I am confident, therefore, that this Congress will not fail to immediately meet the crisis which now faces the elderly American by approving a 15 percent increase in benefits. I am likewise confident both the Senate and the House will then move on to consider the substantive social security reform legislation now pending before the two Houses. For as important as this 15 percent increase is it will be quickly eaten away by inflation unless a determination is made to tie all future increases in benefits to increases in the cost of living.

As I have mentioned previously, I had planned to discuss on the Senate floor my proposal to increase social security benefits by 15 percent across the board. In anticipation of that debate, Frank Crowley of the Legislative Reference Service, prepared some tables which I think are still helpful in our consideration of the proposal before us. Table 1 gives an approximate estimation of the increased payment to each State under a 15 percent benefit increase. Table 2 shows the effect of a 15 percent increase on the trust funds. Table 3 shows the long-range financing of 15 percent social security benefit increase. This table clearly demonstrates that such an increase is possible without any increase in the tax rate or base and also that such method of financing would be actuarially sound. Tables 4 through 6 set out the effect of a 15 percent increase for various groups. It is my belief that these charts con-

clusively demonstrate the need for action now. I ask unanimous consent that tables 1 through 6 be inserted in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED MONTHLY SOCIAL SECURITY BENEFITS, BY STATE, PAYABLE UNDER PRESENT LAW AND UNDER HARTKE AMENDMENT

	[In millions]	
	Present law	Hartke amendment
Alabama.....	\$30.3	\$34.8
Alaska.....	9	1.0
Arizona.....	16.5	19.0
Arkansas.....	20.3	23.3
California.....	186.1	214.0
Colorado.....	18.1	20.8
Connecticut.....	31.6	35.3
Delaware.....	5.0	5.8
District of Columbia.....	5.9	6.8
Florida.....	88.5	101.7
Georgia.....	33.9	39.0
Hawaii.....	4.9	5.6
Idaho.....	7.2	8.3
Illinois.....	115.0	132.3
Indiana.....	53.7	61.8
Iowa.....	33.7	38.8
Kansas.....	24.8	28.5
Kentucky.....	32.4	37.3
Louisiana.....	27.5	31.6
Maine.....	11.5	13.2
Maryland.....	29.8	34.3
Massachusetts.....	63.7	73.3
Michigan.....	91.1	104.7
Minnesota.....	39.3	45.2
Mississippi.....	18.5	21.3
Missouri.....	52.5	60.4
Montana.....	7.4	8.5
Nebraska.....	16.8	19.3
Nevada.....	3.2	3.7
New Hampshire.....	8.3	9.5
New Jersey.....	77.0	88.6
New Mexico.....	7.2	8.3
New York.....	213.9	246.0
North Carolina.....	41.0	47.2
North Dakota.....	6.5	7.5
Ohio.....	106.9	122.3
Oklahoma.....	26.4	30.4
Oregon.....	24.4	28.1
Pennsylvania.....	138.0	158.7
Rhode Island.....	10.9	12.5
South Carolina.....	19.6	22.5
South Dakota.....	7.6	8.7
Tennessee.....	34.4	39.6
Texas.....	88.0	101.2
Utah.....	8.2	9.4
Vermont.....	4.8	5.5
Virginia.....	35.9	41.3
Washington.....	34.1	39.2
West Virginia.....	22.6	26.0
Wisconsin.....	50.0	57.5
Wyoming.....	3.1	3.6

Note: Due to rounding, figures are not additive nor may they be used to compute annual amounts.

TABLE 2.—ESTIMATED PROGRESS OF THE OLD-AGE AND DISABILITY INSURANCE TRUST FUNDS

	[In billions]					
	Income		Outgo		Net income in trust funds	
	Present Law	Hartke amendment	Present law	Hartke amendment	Present law	Hartke amendment
Fiscal year:						
1970.....	\$35.2	\$35.2	\$28.4	\$30.5	\$6.8	\$4.7
1971.....	38.6	38.6	29.6	34.0	8.9	4.6
1972.....	43.1	43.1	30.8	35.4	12.3	7.7
1973.....	47.4	47.4	32.0	36.8	14.4	10.6

* Assumes provision effective for January 1970.

TABLE 3.—Long-range financing of a 15-percent social security benefit increase

Present Program	
(Percent of taxable payroll)	
Level Cost of Benefits.....	8.72
Level Equivalent of Income.....	9.88
Balance.....	+1.16
Proposed Program	
(Percent of taxable payroll)	
Level Cost of Benefits, Present law..	8.72

TABLE 3.—Long-range financing of a 15-percent social security benefit increase—Con.

15% increase.....	1.24
Total.....	9.96
Level Equivalent of Income.....	9.88
Balance.....	-0.06

NOTE.—According to the Chief Actuary of the Social Security Administration, the program is soundly financed if the actuarial deficit is not more than -0.10% of taxable payroll.

TABLE 4.—AVERAGE SOCIAL SECURITY BENEFITS

	Present law	Hartke amendment
Retired workers.....	\$100	\$115.00
Aged couples.....	168	193.20
Aged widows.....	87	100.10
Widowed mother with 2 children.....	255	293.30
Disabled workers.....	112	128.80
Disabled workers with wife, and 1 or more children.....	238	273.70

TABLE 5.—BENEFITS FOR WORKERS RETIRING AT AGE 65

Average monthly earnings (after 1950)	Monthly benefit	
	Present law	Hartke amendment
\$200.....	\$101.60	\$116.90
\$400.....	153.60	176.70
\$600.....	204.00	234.60
\$650.....	218.00	250.70

TABLE 6.—BENEFITS FOR A COUPLE RETIRING AT AGE 65

Average monthly earnings (after 1950)	Monthly benefit	
	Present law	Hartke amendment
\$200.....	\$152.40	\$175.30
\$400.....	230.40	265.00
\$600.....	306.00	351.90
\$650.....	323.00	371.50

Mr. HARTKE. Mr. President, by way of conclusion, let me once again thank the eminent chairman of the Finance Committee for his gracious endorsement of my proposal to increase benefits immediately. I am confident that his acceptance of my proposal has enhanced its chances of passage and has thus insured that the elderly of this country will receive the immediate relief which they so desperately require.

Mr. TALMADGE. Mr. President, I fully support the amendment of the distinguished chairman of the Finance Committee, to increase social security benefits to a more realistic and livable level.

As we all know inflation is rampant in the country today. It has been steadily accelerating since 1965, and last year and in recent months the problem has become even worse. The Consumer Price Index from August to September 1969 showed a 6-percent rate of change, and the seasonally adjusted price of food reflected an even greater increase. Compared to a year ago, general consumer prices were up 5.8 percent, meat prices 11.7 percent, home ownership costs 10.5 percent, and medical care 8.8 percent.

As we pointed out in a recent report of the Subcommittee on Fiscal Policy of the Joint Economic Committee, the damage done by inflation is insidious. It robs the saver of the purchasing power he or she has put aside for future use. It deprives the aged of the value of their retirement incomes. It can make the poor even more impoverished.

One of the worst aspects of inflation, Mr. President, is that inflation in recent years has reduced the buying power of those in society who are least able to afford it. I mean our elderly citizens, the senior members of our society, men and women who have retired from work or become disabled. And I mean widows and

children whose livelihood is dependent upon survivors' benefits.

Such has been the inflationary trend in this country in recent years and the decline of the purchasing power of dollars that these citizens—numbering almost 25 million men, women, and children—have had to tighten their belts in order to get by. Faced with rising costs of basic necessities, of food, housing, clothing, and medical expenses, they have been caught in an intolerable economic vise. Worse yet, they can do nothing about it. They do not get regular salary increases. They are unable to employ themselves. Their income is fixed by law, even though the Government may merrily go on its way spending far beyond its means for programs of dubious value, even though prices are forced higher and higher throughout all the economy, and regardless of how bad inflation gets.

According to the Department of Health, Education, and Welfare, the average old-age benefits paid last year to a retired worker with no dependent was \$94 a month. The average worker and wife's benefit was \$166 a month. The average monthly benefit for an aged widow was \$86.

It is folly to even think that these sums can be considered a livable income in today's sky-high society.

These citizens are helpless victims of the Nation's economy.

The Congress would be remiss in its duties and responsibilities if it did not address itself to this problem. We can and we must provide the means for easing the burden of America's senior citizens.

I have received figures from the Social Security Administration and the Library of Congress on the situation in my own State of Georgia. There are approximately 500,000 recipients of social security in Georgia, receiving monthly benefits amounting to some \$35 million. The increase proposed here today would mean an estimated \$60 million annually to all these beneficiaries, who need it very badly, and who are fully entitled to it.

Mr. President, a 15-percent increase in social security benefits is the bare minimum. Much greater liberalization of these benefits will be necessary during the coming years. Over the past 2 years, inflation has taken an enormous bite out of already inadequate social security benefits.

The President has indicated his intention to provide a minimum standard of living to the poor of this Nation. We cannot afford to do less for our senior citizens who have supported themselves throughout their working careers. These individuals have paid taxes and have earned their retirement benefits. They deserve a decent standard of living during their retirement years.

Next year the Congress will have an opportunity to make comprehensive reforms in the social security, medicare, and medicaid programs. In the meantime, however, we must increase social security benefits as much as possible.

I hope that the amendment of the Senator from Louisiana will be adopted.

THE NEED FOR INTERIM ACTION IN MODERNIZING SOCIAL SECURITY

Mr. MONTTOYA. Mr. President, I support the amendment offered on December 4 by the distinguished Senator from Louisiana (Mr. LONG), recommending a simple 15 percent across-the-board increase in social security payments.

This is the same recommendation voted upon by the House Committee on Ways and Means and it seems to me to be a much more realistic measure than the administration's proposed 10-percent increase.

I believe it is crucial that we act now, in the final days of this first session of the 91st Congress, to enact a 15-percent increase in benefits to cover the cost-of-living increases that have occurred since the last increase in February of 1968. Then, when Congress reconvenes in January of next year, we should immediately begin to consider the badly needed reform of social security coverage so as to provide more extensive benefits.

That changes are necessary if social security is to provide a reasonable income to 24.5 million retired workers, disabled workers, their dependents, and the survivors of deceased workers is something that Senators on both sides of the aisle have agreed upon. The cost of living has constantly been rising faster than benefit increases, and a retired couple now needs at least \$3,000 annually to live in a modest manner in a big city, and \$2,500 in a smaller community. Faced with these costs, which are still continuing to rise, the aged couple has been receiving benefits of only some \$1,704.

The report of the trustees of the social security trust funds shows that there is money to pay for the costs of these increases, and I see no reason for not making arrangements for increased benefits before we go home.

I believe the passage of such a measure is the natural development of the social security program in our socio-economic climate. The great achievement of the program has been to prevent people from slipping into poverty when a worker retires, becomes disabled, or dies. I feel confident that the Senate will continue to carry forward, as it has in the past, the goals of the social security program in our dynamic society, and that it will work its will by passing this measure before adjourning this session.

Mr. DOLE. Mr. President, it is with great reluctance but grave concern that I rise in opposition to Senator Long's amendment to provide a 15-percent increase in social security benefits.

As the President stated in his message on social security sent to the Congress on September 25:

This Nation must not break faith with those Americans who have a right to expect that social security payments will protect them and their families.

However, there is a vast difference between the legislation proposed by President Nixon and the amendment presently before the Senate. The President proposed a 10-percent across-the-board benefits increase to offset the tremendous increases in the cost of living that have taken place in the past 2 years. He fur-

ther proposed to take social security out of the political arena by passage of legislation that would automatically adjust future benefits to increases in the cost of living. One of the most significant of President Nixon's proposals was his request for an increase from \$1,680 to \$1,800 in the amount beneficiaries can earn annually without a reduction in benefits. Additional reforms would have insured more equitable treatment for widows, recipients about age 72, veterans, and for the disabled.

Mr. President, all Americans have a stake in the soundness of the social security system. For this reason, I must oppose this amendment. Rather than seeing thorough consideration of the effects of this legislation, we are witnessing a patent attempt to play on the legitimate desire of the American people for meaningful tax reform for crass political advantage. Instead of writing sound legislation, we see an effort to pay off political debts.

The Mansfield-Byrd amendment, providing a minimum payment of \$100 to \$150 without a means test, will create an increased tax load without improved benefits. By increasing the contribution and benefit base from \$7,800 to \$12,000, beginning in 1973, we are burdening the very taxpayers we have set out to help.

My only hope is that if these amendments pass, the Senate will resolve to return next year to write comprehensive social security legislation that will truly be of benefit to all Americans.

Mr. BYRD of West Virginia. Mr. President, I support a 15-percent across-the-board increase in social security benefit payments because I believe this is the least we can do for our retired citizens.

For too long, too many have been forced to retire on too little.

The hard fact of life is that for millions of elderly Americans, social security is the only source of income. Disaster, disability, and unemployment, can, in a short time, financially wipe out millions of low- or moderate-income citizens who have tried to scrape together meager savings for their retirement years.

We owe our elderly citizens too great a debt to be insensitive now to their economic plight. A generation or two ago, theirs were the strong young backs on which the progress of our Nation depended.

The Consumer Price Index has risen 9.1 percent since the last social security benefit increase took effect in February of 1968 and the cost of living is continuing to climb. What the Senate needs to do, then, is give a long overdue increase to the elderly so that they will have at least a fighting chance to survive the protracted battle against inflation.

A 15-percent increase would pump about \$45 million in additional social security benefit payments into West Virginia during the calendar year 1970 and about \$49 million the following year. It should not only give our older citizens a much-needed boost in their fixed income, but should also strengthen and invigorate West Virginia's economy.

The 15-percent increase in itself would not necessitate any increase in the payroll tax on the employer or the

employee and would be actuarially sound insofar as the trust fund is concerned.

The increase in minimum benefits, previously voted, would, of course, require additional funding, and this has been provided for.

Incidentally, Mr. President, even though the social security recipients would probably have to wait until about March, due to logistical delays, to begin feeling the impact of the increase, the payments would be made retroactive to January 1, 1970, the effective date. So the net result would be the same as if they were to receive the increase immediately following the effective date.

I hope that the Senate will vote overwhelmingly in favor of this increase, and I also hope that the other body will agree to the Senate action in conference.

Mr. LONG. Mr. President, I ask for the yeas and nays on my amendment. The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana (Mr. LONG), as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. SYMINGTON) and the Senator from Alabama (Mr. SPARKMAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Maryland (Mr. MATHIAS) and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

[No. 179 Leg.]
YEAS—73

Alken	Cooper	Harris
Allen	Dodd	Hart
Baker	Dominick	Hartke
Bayh	Eagleton	Hatfield
Bellmon	Eastland	Holland
Bible	Ellender	Hollings
Boggs	Ervin	Hughes
Brooke	Fannin	Inouye
Burdick	Fong	Jackson
Byrd, Va.	Fulbright	Javits
Byrd, W. Va.	Goodell	Jordan, N.C.
Case	Gore	Jordan, Idaho
Church	Gurney	Kennedy

Long	Muskie
Magnuson	Nelson
Mansfield	Packwood
McClellan	Pastore
McGee	Pell
McGovern	Prouty
McIntyre	Proxmire
Metcalfe	Randolph
Mondale	Ribicoff
Montoya	Russell
Moss	Schweiker
Murphy	Scott

NAYS—14

Allott	Griffin	Percy
Bennett	Hansen	Saxbe
Cotton	Hruska	Tower
Curtis	Miller	Williams, Del.
Dole	Pearson	

NOT VOTING—13

Anderson	Gravel	Sparkman
Cannon	Mathias	Symington
Cook	McCarthy	Thurmond
Cranston	Mundt	
Goldwater	Smith, Ill.	

So Mr. LONG's amendment, as amended, was agreed to.

Mr. JAVITS. Mr. President, when I was out of the Chamber engaged in a telephone conversation, the vote was taken on the social security increase amendment. I did not have the opportunity to have a colloquy with the Senator from Louisiana on the amendment.

It is a fact that there are pension plans, private business pension plans, which reduce the amount the pensioner receives if there is a social security increase. And there is considerable complaint by workers that all they get is a washout.

Mr. President, I was going to submit an amendment to the bill to deal with the problem. I realize that there is no real basis in the facts before the Senate at this time. Yet we have this information from correspondence and complaints.

Mr. President, I ask unanimous consent that the amendment to which I have just referred may be printed at this point in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

On page 512, between lines 18 and 19, add the following new section:

"SEC. 901A. SOCIAL SECURITY BENEFIT INCREASES.

"Add the following new paragraph to section 401(a):

"(11) No decrease in benefits shall become effective in consequence of any increase in the benefits payable under the Social Security Act on or after January 1, 1970; Provided, That any plan containing a provision for such a decrease may avoid disqualification under this paragraph if such decrease is rescinded within one year after the effective date of this Act."

Mr. JAVITS. Mr. President, I ask the Senator from Louisiana whether he has heard of the matter in the committee and whether or not at the next go-around of the committee or perhaps in the conference the members will make some effort to get abreast of the problem, see how serious it is, and what ought to be done.

Mr. LONG. Mr. President, it is my understanding that there is a lot of complaint from some labor circles about the type of private pension arrangement under which companies reduce their company pension payments by the amount of the Social Security increases. The problem is parallel to that which was

voted on in the Harris amendment. However, there would undoubtedly be a great deal of complaint from management if we sought to correct it as labor feels it should be corrected.

It is a problem that really should be studied and looked at in connection with the social security bill which will come to us from the House, having in mind not the 15 percent across-the-board increase in benefits, but the bill that seeks to go in depth into the social security program.

I have discussed it with the Senator and have urged that he not offer his amendment at this time, but give us an opportunity to study the matter and invite those who are affected by it to be heard and then recommend to the committee what we think the appropriate answer should be.

It is a complicated problem. There are very strong arguments to be made on both sides.

I would like to have the committee have an opportunity to consider the matter.

Mr. JAVITS. I thank the Senator.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations and withdrawing a nomination were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of William R. Ford, of Michigan, to be an Assistant Director of the Office of Economic Opportunity, which nominating messages were referred to the Committee on the Judiciary.

(For nominations this day received see the end of Senate proceedings.)

ORDER OF BUSINESS

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. RIBICOFF. Mr. President, I yield without losing my right to the floor.

COMMITTEE MEETING DURING THE SESSION OF THE SENATE ON MONDAY AND TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent again that the Health Subcommittee of the Committee on Labor and Public Welfare be authorized to hold hearings on the population problem next Monday and Tuesday during the sessions of the Senate.

Mr. GRIFFIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. I yield to the Senator from Arkansas without losing my right to the floor.

S. 3217—INTRODUCTION OF A BILL REQUIRING THE SECRETARY OF DEFENSE TO SUBMIT REGULAR REPORTS WITH RESPECT TO THE KINDS AND AMOUNTS OF INFORMATION RELEASED FOR DISTRIBUTION TO THE PUBLIC BY THE DEPARTMENT OF DEFENSE

Mr. FULBRIGHT. Mr. President, on the second page of the "Army Information Officers' Guide" there appears the following:

Much of the Army's information program is based on the following concept:

If the Army is good, the story will be good—and public relations will be good. If the Army is bad, the story will be bad and the result bad. In the end, public opinion about the Army reflects what the Army itself is. This is the whole secret of Army public relations.

After reading the mass of material on Army public information programs supplied to me by the Chief of Information—and recalling past and present stories about Army activities—I am forced to observe that the "secret of Army public relations" goes much further than letting stories—good and bad—develop on their own. With the money and manpower available in the public information field, the Army, like its sister services cannot seem to stay away from self-promotional activities.

Even the Army's own regulations governing information policies show ambiguity between the desire just to inform the public and an equal desire to use information activities as a means of getting public support for Army programs and weapons.

That ambiguity even appears in the stated objectives of the Army information program as carried in Army Regulation 360-5:

To keep the public fully informed concerning the Army and thereby—

a. Develop public esteem and respect for the Army and Army personnel.

b. Gain public understanding and support of the Army's role in a sound national military program.

c. Inspire public confidence in the Army's ability to accomplish its mission now and in the future.

With those goals in mind, it is a short jump from public information to public relations, and a survey of the Army programs show that they definitely are in that mold.

According to the Chief of Information, the Army in fiscal year 1969 employed 442 military personnel and 170 civilians and spent \$4.9 million on its public affairs program. This total is about half that acknowledged by the Air Force and the Navy. The Army informed me it has not included personnel or costs associated with its internal command information program.

However, a portion of this internal information program is made available—and in some cases directed—at the civilian population and thus in part or in full should be added to the Army spending total.

I ask unanimous consent that there be printed in the RECORD at this point a

letter from Maj. Gen. Wendell J. Coats, Chief of Information, Department of the Army, concerning the nature and scope of the Army's public affairs activities.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF INFORMATION, Washington, D.C., August 29, 1969.

Hon. J. W. FULBRIGHT, Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The following data is provided in response to your letter request of 2 July 1969 for information concerning the nature and scope of the Army's public affairs activities.

The succeeding paragraphs respond to and are numbered in the same sequence as the numbered paragraphs of your letter. Where the data or material furnished is bulky, it will be cited in the pertinent paragraph, but attached as an inclosure.

1. The estimated basic overall cost of the total army-wide public affairs¹ program for FY 1969 is:

	Military personnel appropriation	Operations and maintenance, Army	Total
Total, Army....	\$2,611,000	\$2,320,000	\$4,931,000
Chief of Information and metropolitan field offices.....	367,000	113,000	480,000
Major commands.....	608,000	1,632,000	2,240,000
Army components unified commands....	1,636,000	575,000	2,211,000

2. The estimated number of officers, enlisted men and civilians whose principal responsibilities are directly attributable to the Army's public affairs program is:

	Military personnel		Civilian personnel	Total
	Officers	Enlisted		
Army total....	142	300	170	612
Chief of Information and metropolitan field offices.....	33	3	12	48
Major commands....	39	52	127	218
Unified commands....	70	245	31	346

3. a. Officers, enlisted men and civilians working for the Office, Chief of Information (OCINFO) in Washington and elsewhere are:

	Officers		Civilians	Total
	Enlisted			
Total.....	47	6	46	99
OCINFO.....	40	0	42	82
Metropolitan field offices.....	7	6	4	17

b. The approximate costs for operating these offices are:

¹ The Army does not use the term public affairs in its organizational structure. The term as used herein is defined as Public Information and Community Relations activities. It does not include Command Information which is defined as a command activity to develop in all military personnel an understanding of the Department of the Army and their role in the Army in order to increase their motivation for service.

	Military personnel appropriation (MPA)	Operations and maintenance, Army (O. & M.A.)	Total
Total.....	\$488,275	\$717,000	\$1,205,275
OCINFO.....	442,275	432,000	874,275
Metropolitan field offices.....	46,000	285,000	331,000

(Data in paragraph 3.a and b include Command Information; paragraphs 1 and 2 above include only Public Information and Community Relations).

c. The functions of OCINFO and its subordinate elements are described in the Chief of Staff Regulation 10-29 attached as Inclosure 1. Details and specific examples within the last twelve months of the activities of OCINFO divisions are as follows:

(1) *Community Relations Division (CRD)*: The Community Relations Division has two subordinate branches—the Projects Branch and the Field Support Branch. The division has the overall responsibility for policies, plans and programs relating to Army-civilian community relationships.

(a) *Projects Branch*. This branch maintains liaison with and supports, on request, veterans organizations, military-oriented civilian organizations, and unit associations. The branch is the Army point of contact for requests and actions from veterans organizations referred by the Assistant Secretary of Defense (Public Affairs). Requests range from providing personnel-type information about veterans and personnel in service, to the provision of color guards, bands and speakers to support annual conventions, to explanation of Army policy on a given subject. Liaison with divisional associations such as the 1st Infantry Division is provided to respond to requests for assistance and to help these organizations maintain their bonds with the Army. A majority of requests received pertain to personnel matters such as hardship cases, recognition ceremonies for returning servicemen, etc. Numbers of actions pertain to members of veterans organizations who desire to visit military installations and observe training and scheduled demonstrations.

The branch, as the Army point of contact, forwards input provided by the Army staff to the Defense Industry Bulletin which is published by the Assistant Secretary of Defense (Public Affairs).

The branch operates the Department of the Army speaking program which furnishes Army speakers on request to civilian organizations. Requests range from military-oriented organizations such as the National Defense Transportation Association through civic groups such as the Kiwanis to church groups. The branch also evaluates and makes recommendations on invitations to senior officials of the Department of the Army.

(b) *Field Support Branch*. The Field Support Branch coordinates Army participation at Department of the Army level in major public events and authorizes troop and equipment support. Numerous inquiries and requests are handled concerning participation in fairs, festivals, and public and civic sponsored celebrations. For example, some major events during the last year included participation in the Barnum Festival, Golden Spike Centennial, commemoration activities of the 25th Anniversary of D-Day, Presidential Inauguration, State Fair Oklahoma, Hemis-Fair '68, Annual Dogwood Festival, Panhandle South Plains Fair, California State Exposition and Festival of Progress, Color Guards, equipment, marching units and representation are regularly provided to events such as centennials, special celebrations, civic organization activities and public building dedications. During the last year, for example, the branch handled approxi-

mately 1200 actions concerning Army band appearances.

The branch schedules public performances of the US Army Field Band which conducts two nationwide tours annually, schedules and coordinates public appearances by the US Army Parachute Team "The Golden Knights," (See Inclosures 2 and 3 for sample schedules) and develops policies, provides guidance, and assists in the scheduling of the exhibits of the US Army Exhibit Unit. The branch also assists in band tour planning for the WAC Band.

The Field Support Branch also coordinates Army participation in recurring special events including Armed Forces Day, Army Birthday, Memorial Day, Veterans Day, Fourth of July and similar national holidays, government sponsored tours, foreign journalist tours, and individual and group visits to Army installations. Participation in all events is contingent upon operational requirements of the particular unit requested. Other matters handled on a recurring basis are Army support to the President's Youth Opportunity Program, and other youth group activities such as Army equipment support to the Boy Scout National Jamboree; Army participation in civilian sports events; color guards, patriotic music; Army aviation participation in the civilian events; requests for US Army exhibits and equipment displays and providing, upon request, information of support to servicemen serving overseas.

In addition, the branch serves as contact between Army elements and the Assistant Secretary of Defense (Public Affairs) in regard to Army participation and involvement in activities in the public domain and monitors Army Regulations dealing with community relations; incorporating policy changes as they occur. Fact Sheets and policy letters are prepared and sent to subordinate commands as needed to assist in community relations matters.

The Defense Industry Bulletin is a Department of Defense publication prepared, printed and distributed under Office, Assistant Secretary of Defense auspices. Community Relations Division, OCINFO, has no part in the publication except to forward articles when received from Army commands and to provide information on public activities of Army leaders. (See Inclosure 4 for the last twelve issues).

(2) *Command Information Division (CID)*: The Command Information Division is organized in three branches; Training Materials Branch, Plans Branch and Information Services Branch. Following is a summary and examples of specific CID activities during FY 1969 by branch:

(a) *Training Materials Branch*. During FY 1969:

1. Prepared five DA pamphlets, 22 Command Information Fact Sheets, 34 anniversary messages from the Chief of Staff and three issues of Command Information Training Materials Bulletin. (See Inclosure 5 for a sample of each of these publications).

2. Assisted in the revision of seven pamphlets, the proponents of which were outside OCINFO.

3. Originated two posters, copies of which are at Inclosure 6.

4. Prepared 250 letters including replies to letters to the President, The Secretary of Defense, The Secretary of the Army, and The Chief of Staff, Army.

5. Coordinated with the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs on training materials for inter-service use.

(b) *Plans Branch*. During FY 1969:

1. Prepared the annual Command Information Annual Support Plan and four quarterly guidance letters (See Inclosure 7). It reviewed quarterly Command Information Reports and coordinated CID actions based on that report. Plans Branch reviewed several regulations and directives prepared by

other Department of the Army staff agencies, (i.e., the Police Recruiting Program, and Benefits for Retired Military Personnel).

2. Made 17 visits to military installations to coordinate with and assist local Command Information officers. A two hour course of instruction, "Military Information—A Hard Skill of Leadership," was presented to classes of officers at four service schools on 10 separate occasions.

3. Prepared and presented briefings for the Chief of Staff and for civilian secretaries appointed by the new administration.

4. Assigned an officer to the Department of the Army survey team which visited Army Personnel Centers twice during FY 1969. Plans Branch coordinated the production, shipment and installation of photomurals for each of four personnel centers as a result of recommendations by the Department of the Army survey team.

5. Was action agency for revising AR 360-81, Command Information—General Provisions.

6. Coordinated with Department of Defense, other Services, Army Digest and Army News Features on materials to support the Army Command Information program.

(c) *Informational Services Branch*. During FY 1969:

1. Monitored all editions of 590 Army newspapers to assure that they were being published in accordance with AR 360-81. (See Inclosure 8).

2. Provided guidance and assistance for 100 AM and FM radio outlets and 18 television outlets operated by the Army.

3. Hosted the annual Department of the Army Broadcast Radio and Television Conference.

4. Maintained an Information display on the Pentagon concourse for the benefit of Army Military and civilian personnel working at the Pentagon. This display consists of televised newscasts, presentations of "Big Picture" films and a televised newswire service.

5. Administered the Army portion of the Thomas Jefferson awards competition among the Armed Forces newspapers and radio/television stations.

6. Participated in the Department of Defense feasibility test/study of automating Armed Forces Radio stations.

7. Visited eight installations to coordinate Command Information matters and assist local Information Officers.

(d) *Command Information Unit (CIU)*. During FY 1969:

The Chief of Command Information Division exercises staff supervision over the Command Information Unit. CIU produces the following materials:

1. The Army Hour is a weekly 25-minute taped radio show distributed to all Armed Forces radio stations. The Army Hour is distributed to civilian radio stations on their request. The cost of Army Hour for the past 12 months was:

Recording contracts and tape.....	\$23,000.00
Salaries (including military).....	36,447.58
Travel (for interviews).....	5,200.00
Flyers—material and labor.....	216.73
Total	64,864.31

At Inclosure 9 is a list of 1,243 civilian radio stations which request and receive the Army Hour.

2. The "Big Picture" is a feature film in color and is produced for use in the Army's command information program. Fifty-five segments have been produced during the past two years. The "Big Picture" is shown on overseas American Forces Television and in the United States on 313 commercial stations and 53 educational stations. It is furnished to these 366 stations at their request and is shown as a public service. A listing of films and stations receiving the "Big Picture" are listed at Inclosure 10. The annual costs of producing the "Big Picture" are:

Production and distribution-----	\$881,000.00
Personnel salaries-----	20,466.00
Flyers—including material-----	1,063.34

Total -----	902,529.34
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3. "World Wide" is a twice weekly 5-minute radio program distributed to all Armed Forces radio stations and to 1,059 civilian radio stations at their request. At Inclosure 11 is a list of stations receiving "World Wide" and a sample tape of a program. Both "World Wide" and "The Army Hour" are produced by the same personnel. Therefore, costs for travel and salaries are combined for the two productions. The annual additional costs of "World Wide" are:

Recording contracts, fiscal year	
1969 -----	\$6,600.00
Flyers—material and labor-----	75.95

Total -----	6,675.95
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4. The Army Reports is a film series produced as needed for the internal military audience. No issues of The Army Reports were produced during the past 12 months.

5. Mostly Music is a weekly 5-minute radio program produced for the US Army Reserve. Ten were produced during the past year at a total cost of \$20.00. The only cost to the Command Information Unit is the price of one reel of tape per program.

(3) *Policy and Plans Division (PPD)*: Policy and Plans Division, as the name implies, coordinates information policy within the Department of the Army and develops programs and plans in support of Department of the Army activities. A less obvious function is that of maintaining personnel, educational, and training actions involving those individuals in the information program. Specific functions are listed in Inclosure 1. The division consists of three branches whose activities for the past year are outlined below:

(a) *Policy Branch*. Revised and published Army information directives, such as Army Information Officers' Guide and maintained up-to-date files on Army and Department of Defense information directives. Provided Congressmen information upon which they might base replies to mobilized Reservists and National Guardsmen and their families requesting information about the 1968 mobilization. Responded daily to written and telephonic requests for guidance from Army Information Officers worldwide on such matters as visits to stockades, returning Prisoners of War, on-post demonstrations, and underground newspapers. (See Inclosures 12 and 13).

(b) *Plans Branch*. Plans Branch is the point of contact for the Army staff for all information matters. For this reason the branch devotes a great deal of its time in planning, preparing, coordinating, and providing input for staff actions which have information implications. Examples of this type of effort are at Inclosures 14 and 15. The impact of the Reserve callup necessitated the preparation of the fact sheet shown at Inclosure 16. This was provided to the Army staff to assist in responding to the multitude of letters written by reservists and others. During the fiscal year the now defunct Sentinel program was active. Following Congressional approval of the program, a formal plan, Inclosure 17, was prepared to coordinate the support of the various interested Army agencies. This plan was later rescinded. The return of the mobilized reservists began to occupy the branch attention towards the latter portion of 1968. The message at Inclosure 18 was the first of a series of directives and releases that led up to the return of the 3d Battalion, 60th Infantry and subsequent units from Vietnam.

(c) *Operations Branch*. The Operations Branch, Policy and Plans Division, is a support element for the Office, Chief of Information and has no public information func-

tion. Its primary mission is to provide administrative support to the five field activities of OCINFO. The branch personnel function as the "next higher headquarters" for all administrative and logistic problems of the field activities. In addition, the branch personnel operate the Information and Editorial Civilian Career Program which provides career management opportunities, worldwide, for Department of the Army civilian employees engaged in public affairs matters.

Among the varied activities carried on by the branch are: answering correspondence from personnel about to enter the Army concerning a career in Army Information; providing liaison to the Defense Information School on all matters affecting Army Information; providing the previously mentioned support to OCINFO field activities; and handling the internal OCINFO Mobilization Designee program which provides a highly trained nucleus of Reserve Officers immediately available to fill positions within OCINFO in the event of mobilization.

(4) *Public Information Division (PID)*: Is responsible for developing short-range public information plans and policies; coordinating, supervising, and evaluating Army public information activities worldwide; providing information on Department of the Army programs and policies through public communication media; staff supervision of the US Army Home Town News Center; providing staff officers as required in connection with domestic disturbances or emergencies and events of national news significance; and providing guidance to subordinate commands concerning current events of national news significance.

(a) *News Branch*. The News Branch within the Public Information Division prepares material on Department of the Army programs and policies for release to the public of material forwarded by subordinate commands (See examples at Inclosures 19 and 20); coordinates with the Department of the Army staff proposed responses to press queries (See example at Inclosure 21); coordinates and supervises the execution of public information portions of Department of the Army plans; arranges and monitors interviews by news media representatives with members of the Department of the Army staff (See example at Inclosure 22); plans, supervises, and escorts press tours (See example at Inclosure 23); maintains biographical files on general officers and senior Department of the Army civilian officials (See example at Inclosure 24); monitors news conferences of the Office, Assistant Secretary of Defense (Public Affairs); serves as point of contact for the Department of Defense on magazine and book matters; and prepares and coordinates responses to individual citizens and Members of the Congress (See example at Inclosure 25).

(b) *Special Projects Branch*. The Special Projects Branch within the Public Information Division coordinates public information activities (except speaking engagements and participation in public events) involving the Secretariat and the Office of the Chief of Staff.

(c) *Audio-Visual Branch*. The Audio-Visual Branch provides audio-visual information, cooperation, and materials on Department of the Army programs and policies for release to audio-visual media; screens caption sheets on stock motion picture footage on Department of the Army activities by the Signal Corps to determine which footage is appropriate for public release and forwards footage to Department of Defense for release (See example at Inclosure 26); assists audio-visual media in screening unclassified still and motion picture files for material of interest to the media; evaluates and recommends action to requests for Department of the Army cooperation with television and commercial motion picture producers (See example at Inclosure 27); and

reviews and coordinates Department of the Army clearance of audio-visual materials for public non-profit exhibition and for sale to the public under pertinent regulations (See example at Inclosure 28).

Summarizing statistical activities of the Public Information Division reveals that about 10,000 media queries have been answered during the past year ending 30 June 1969, ranging from simple questions answerable in a few seconds of telephone conversation to complex series of questions requiring extensive research and staff coordination. Some 6,000 other inquiries from citizens of this country and foreign nations and from Members of Congress were handled, again ranging from such a simple matter as providing a copy of a biography to explaining the rationale of Army tactical operations in Vietnam. Many of these public inquiries were from high school students and college students requesting assistance in preparation of term papers and theses. Others were from teachers and school librarians asking for information or materials useful to them in school projects.

In FY 1969 approximately 400 releases were cleared for issue by subordinate commands. Some 220 national releases were prepared and forwarded to Department of Defense for release, and national announcements of about 1,200 contract awards involving amounts of more than one million dollars were made through Department of Defense. Arrangements were made for about 170 interviews by media representatives with members of the Department of the Army staff, including about 50 with the Secretary of the Army, Chief of Staff, and Vice Chief of Staff.

In the Audio-Visual area, cooperation was extended in approximately 100 television and radio productions, with assistance ranging from providing simple responses to questions about the Army to arranging for screening of motion picture footage already available at the Army Pictorial Center.

Advice or cooperation was given in half a dozen feature commercial motion picture productions and in the course of the year about 180 motion picture films produced by the Army for training or other internal uses were cleared for public non-profit exhibition upon request. Approximately 80 of these were medical professional films or videotapes cleared for exhibition to professional medical groups.

4. There is a record of one motion picture project for which approval was requested under paragraph 16, AR 360-5. Copy of supporting information is attached at Inclosure 29. There have been no television films, live television programs, videotapes, and programs, and kinescope recordings produced by the Army intended primarily for public release during the last two years.

5. All requests for the use of Army themes and productions in commercial advertising for the past two years under paragraph 15, AR 360-5 are listed at Inclosure 30.

6. Copies of each major command's monthly reports of non-local travel for community relations purposes as required by paragraph 27b, AR 360-5 for the past two years, are included at Inclosure 31.

7. Within the past two years, and under the provisions of paragraphs 28 and 29, AR 360-5 there is record of one instance in which the Army authorized non-local travel of a newsman for public information purposes. Leibert Coppola of the Buffalo Evening News was authorized by the Department of Defense to accompany a Nike Hercules air defense artillery unit enroute by air from New York State to Fort Bliss, Texas, for its annual firing exercises. No copy of the after-action report is available in the Department of the Army.

8. The Army Community Relations reports for the past three years are attached as Inclosure 32.

9. Army News Features, Army News Photo Features, Army ANF Radio Features, Army News Graphclip, and ANF Special News releases are produced by the Command Information Unit as an official news media and features service for internal news media. (Copies are provided external media upon their request.)

a. Army News Features (ANF) and Army News Photo Features (ANPF) clip sheets are distributed weekly as a unit to Army newspapers and other newspapers on request. They contain news, photographs and feature material on the roles, missions, events, and activities of the Army. The total cost of ANF and ANPF for FY 1969 was \$57,244.00.

b. Army News Graphclip is a monthly stencil of black and white line art available to mimeograph Army newspapers. The annual cost is \$1,096.00.

c. ANF Special News releases supplement the weekly clip sheets. Normally, they are released to disseminate special stories or those breaking after the clip sheet deadline. There were 18 releases during FY 1969 at a cost of \$467.00.

d. ANF Radio News Features was discontinued in August 1968. It was produced for Armed Forces Radio Stations in Europe and the Pacific.

A list of civilian enterprise newspapers and radio stations to which material is sent is attached at Inclosure 33.

10. The FY 1969 costs of the One Army Newsletter were \$1,515.34 for seven issues. The last 12 copies, at Inclosure 34, were published over a period of 17 months. Addressees are 2,866 non-active Army recipients in the following categories:

[One copy each]

	Addressees
Sector and subsector commands.....	773
Reserve general officer commands.....	64
CINFO mobilization designees.....	44
Retired general officers.....	1,695
Reserve general officers.....	95
National Guard general officers.....	195

Total 2,866

11. The annual cost of "Speechmaker" is \$5,003.27. This is based on cost experience since no new Speechmakers have been prepared since October 1967. The above cost was for revising six Speechmakers and making reprints of seven others. At Inclosure 35 are copies of Speechmakers distributed during the past two years.

12. The annual costs for producing the Army Hour are discussed in paragraph 3c (2) (d) 1 above. A list of commercial stations that air the program is at Inclosure 9.

13. The annual costs for producing the "Big Picture" are discussed in paragraph 3c (2) (d) 2 above. Segments produced in the last two years are listed at Inclosure 9. Commercial and educational stations which request and receive the "Big Picture" are listed at Inclosure 10.

14. The annual costs of "World Wide" are discussed in paragraph 3c (2) (d) 3 above. A tape of a sample program and a list of the commercial stations that carry the program are at Inclosure 11.

15. Copies for the past two years of the Command Information reports forwarded by major Army commands as required by paragraph 46, AR 360-81 are attached as Inclosure 36.

16. The approximate annual costs for the Army Exhibit Unit, including personnel and Operations and Maintenance, Army, is \$906,000.00. The exhibits designed and built during the last two years are listed at Inclosure 37. The schedule of exhibit tour for the last two years is shown at Inclosure 38.

17. The approximate annual cost, including personnel and Operations and Maintenance, Army, of the Army Home Town News Center is \$565,000.00. The US Army Home Town News Center, under provisions of AR 360-83, provides at a minimum cost, news about the individual soldier to his home

town media. The center receives and edits home town news and feature stories, photographs, and tape-recorded and filmed releases from Army commands worldwide. Releases are made to hometown media that have indicated in writing their interest in receiving material from the center about soldiers from their community. Average processing time for editorial releases is one day; for photographs, two days; and for tape-recorded or filmed releases, one to three days. The center serves approximately 1700 dailies, 8300 weeklies, 2700 radio stations, 550 television stations, 470 trade journals, 150 fraternal publications, and 875 college publications.

Sample editorial materials are attached along with sample comments from media receiving Home Town News Center service (Inclosure 39) which indicate the center not only provides a needed service to the media, but contributes to the morale and welfare of soldiers and their families.

Sincerely,

Maj. Gen. WENDELL J. COATS,
Chief of Information.

[39 inclosures as previously stated not printed in Record.]

Mr. FULBRIGHT. Mr. President, to illustrate how supposedly internal Army command information programs reach the general public, consider the Army's "Big Picture" program. This is a 30-minute feature film, in color, supposedly produced for the command information program. Its cost, per year, runs over a figure not too far out of line for a commercial documentary TV program—\$900,000. Some 55 segments have been produced over the past 2 years. I would note that 17 of these 55 "Big Picture" films deal directly with the Vietnam war.

The "Big Picture" is only one part of the complex and active Army audiovisual program.

According to Army sources, "The Big Picture" is currently being shown to the public regularly over 313 commercial television and 53 educational stations around this country.

The film is given free to these stations and shown as part of their public service time. The Army stresses that it is only supplied when requested, yet anyone who has attended a broadcasters' convention has seen promotion material suggesting to television station owners that "The Big Picture" is available.

As for it being primarily an internal command information film, the Army's own "Information Officers' Guide" refers to it as "the Army's official documentary television effort" designed to picture Army "activity of potential national appeal."

I ask unanimous consent to have printed a list of "Big Picture" films released during 1968 and 1969 along with the stations that currently are carrying the program.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SYNOPSIS OF BIG PICTURE FILMS RELEASED DURING PAST 2 YEARS (1968-1969)

TV 763, NATO

The North Atlantic Treaty Organization. The Big Picture examines the history and organization of the North Atlantic Treaty Organization: NATO. This timely film provides a close scrutiny of the major force which deters aggression in Europe. Color-Released 68-69 Season.

TV 762, D-DAY ANNIVERSARY

A 25th anniversary look at the sights and sounds of the famous beaches of Normandy. This Big Picture replays the drama and battle action of the period leading up to the historic landings and the fierce combat to overcome the wall of "Fortress Europe" in June of 1944. Black and White—Released 68-69 Season.

TV 761, U.S. ARMY EUROPE

Following World War II, U.S. Army Europe was given the mission of helping to protect the borders of the West against possible aggression. Despite tensions and conflicts elsewhere in the world, Europe remains a critical area and a constant challenge to peace. In this issue of the Big Picture, you will see some of the ways in which the men of U.S. Army Europe perform their mission as an important element of the NATO forces guarding the peace. Color—Released 68-69 Season.

TV 760, YOUR ARMY REPORTS NO. 16

The Big Picture cameras travel to Fort Hood, Texas to attend a double anniversary celebration for the First and Second Armored Divisions, and to the 1968 conference of the Association of the United States Army. Color-Released 68-69 Season.

TV 759, CALL ME MISTER

The highly qualified men and women of the U.S. Army who wear the insignia of the Warrant Officer perform a vital role. These officers, with a warrant provide special talent in such fields as photo-mapping, automotive maintenance, flying Army aircraft, nuclear power plant operations and many others. Big Picture cameras look at some of these activities and some of the training provided by the Army in the Warrant Officer program. Color-Released 68-69 Season.

TV 758, RANGER

The small unit leader of the modern U.S. Army must be a highly resourceful individual capable of directing operations under many types of geographic and climatic conditions. The Big Picture visits Fort Benning, Georgia where selected officers and non-commissioned officers are trained to develop their leadership skills to the ultimate degree and earn the coveted "Ranger" shoulder tab. Color-Released 68-69 Season.

TV 757, KOREA REVISITED

In the summer of 1950 the forces of communism unleashed an attack upon the Republic of Korea causing death and destruction. The United Nations answered the attack with a multi-nation fighting force which drove out the enemy and set up a shield behind which the people could rebuild. The Big Picture presents a look at the Republic of Korea today to show the progress and development of the nation and its people. Color-Released 68-69 Season.

TV 756, THE SILVER RIFLES

Many symbols recognize excellence and valor in the nation's armed forces. Among the most prized is the Combat Infantryman's Badge. The meaning and traditions behind the award of these Silver Rifles is the subject of this "Big Picture" episode. Narrated by Fess Parker. Color-Released 68-69 Season.

TV 755, THE VOICE OF COMMAND

The U.S. Army is on duty in every corner of the globe. To function effectively, it must have a highly developed communications system, a vital network that can unite these widely dispersed army elements into a single cohesive force, instantly responsive to our nation's needs. The Big Picture tells the story of the globe-spanning communications chain which carries to the ends of the earth, "The Voice of Command." Color-Released 68-69 Season.

TV 754, THE SOLDIER'S HERITAGE

Through all of this nation's wars, the American soldier has distinguished himself by bravery and determination. He has estab-

lished a heritage of which all Americans can be proud. To preserve and portray this enduring record, the Big Picture presents the historical summary of these accomplishments from the Revolutionary War to the present in "The Soldier's Heritage." Color-Released 68-69 Season.

TV 753, SEEK AND STRIKE

The modern armor soldier moves to battle on mounts of increasing mobility and firepower to seek and strike the enemy. The Big Picture takes you to the U.S. Army Armor Center at Fort Knox, Kentucky for a look at the historical development of mobile armor and examines the training of the tankers as he learns to move, shoot and communicate from aboard the latest combat vehicles. Color-Released 68-69 Season.

TV 752, THE ARMY AIR MOBILITY TEAM

Modern combat operations demand an immediately responsive fighting force. Previously, armies have been bound to earth in transporting men and supplies to and from battle. Today our highly mobile U.S. Army soldiers have the most modern vertical and short take-off aircraft to support them in combat operations. The Big Picture, "The Army Air Mobility Team" examines how men and Army aviation function in the difficult terrain in Southeast Asia. Color-Released 68-69 Season.

TV 751, EQUAL TO THE ENVIRONMENT

Wars must often be won by conquering a hostile environment as well as an enemy Army. The United States Army has often been forced to conduct operations in steaming tropical jungles, on sub-arctic coasts, towering mountains, in sub-zero cold and bleak deserts. The Big Picture "Equal to the Environment" tells how lessons learned, and history, are used as a basis for training our fighting men in ways and means of combating the dangers and problems of climate and terrain. Color-Released 68-69 Season.

TV 750, WEST POINT—THE ARMY CHALLENGE

Duty, Honor, Country—the West Point motto, which motivates the lives of all who join the long gray line. THE BIG PICTURE documents the story of a young man who enters the U.S. Military Academy and completes the four years of study to qualify for a commission as a Second Lieutenant, United States Army. Color-Released 68-69 Season.

TV 749, LOGISTICS IN VIETNAM

No soldier has been as well supplied as the U.S. soldier on duty in Vietnam. For a look at the magnitude of the support and supply activities, U.S. Army camera crews covered the action for this episode of the BIG PICTURE. "Logistics in Vietnam" documents the activities and facilities which provide medical, transportation, engineer, supply and other services to the American fighting men. Color-Released 68-69 Season.

TV 748, FIRST AIR CAVALRY DIVISION

The famous "First Team" became airborne in July 1965. Shortly afterward, its new power was trained on the aggressive forces in Vietnam. This is the story of how that new power, air-mobility, is helping the 1st Cavalry win the battle for freedom in Southeast Asia. Color-Released 68-69 Season.

TV 747, THE BIG GREEN LAB

In the tropics jungle heat and humidity can destroy man and deteriorate his weapons. And so in the forests of Panama the "BIG GREEN LAB" of the Army Materiel Command's Test and Evaluation Command wage a constant battle against the ravages of environment. Color-Released 68-69 Season.

TV 746, NINTH DIVISION

In North Africa, in France and Germany, the 9th Division was unbeatable. Today, "The Old Reliabilities" meet a new challenge in Vietnam and add new victories to their battle record. Color-Released 68-69 Season.

TV 745, SOLDIER'S CHRISTMAS

No matter where the soldier is stationed, in a remote Arctic outpost or the steaming jungles of Vietnam, the spirit of Christmas finds its way to our servicemen. Color-Released 68-69 Season.

TV 744, TO SERVE A SOLDIER

The soldier with high morale is a tough man to beat. Special Services has the responsibility of providing morale support activities and services to the soldier, wherever he may be stationed in the world. THE BIG PICTURE presentation "To Serve A Soldier" documents the important mission of Special Services. Color-Released 68-69 Season.

TV 743, YOUR ARMY REPORTS NO. 15

Presents brief features of Army activities world-wide. In this issue: The "Missile Mentor" that helps protect our country from surprise attack; the U.S. Army Orthopedic Clinic in Boston; the Demilitarized Zone in Korea. Color-Released 68-69 Season.

TV 742, MEETING THE NEED

To assure that our soldiers will be the best equipped, fed and clothed fighting men in the world, the U.S. Army Natick Laboratories provide research, development and testing of foods, clothing and equipment. THE BIG PICTURE "Meeting the Need" takes a comprehensive look at the scientists and facilities of the Natick Labs. Color-Released 68-69 Season.

TV 741, MEN WITH A MISSION

The Big Picture traces the history of the U.S. Army Reserve and its present mission of providing the backup force to the active Army in times of emergency. Narrated by Efrem Zimbalist Jr., this film shows the men of the Army Reserve training to maintain their high state of readiness. Color-Released 68-69 Season.

TV 740, POLICING THE FRONT

The role of the Military Policeman has always been important but never so vital as in the present war in Vietnam. The men who wear the MP armband are shown in a variety of activities as they handle the complex problems of law enforcement and security against the background of a war with no conventional frontlines. Narrated by Jack Webb. Color-Released 68-69 Season.

TV 739, SOLDIER-AT-LAW

The responsibility for U.S. Army judicial and legal activities lies with the Judge Advocate General. THE BIG PICTURE "Soldier-At-Law" shows the training which qualifies the civilian attorney as a judge advocate or military lawyer. The film emphasizes how individual rights, which are protected by the civilian judicial system, are also guarded by the military judicial system. Color-Released 68-69 Season.

TV 738, USARPAC

One of the U.S. Army's largest areas of activity is spread the length and breadth of the blue Pacific. This command, known as U.S. Army Pacific or USARPAC, includes responsibility for men and missions in Vietnam, Korea, Okinawa, Japan, Thailand, Taiwan and Hawaii. The Big Picture, "USARPAC", takes a look at the missions of our soldiers in the Far East. Color-Released 68-69 Season.

TV 737, THE BRIDGE

The soldier and his family can always count on the spiritual services of the Chaplain. For a look at the U.S. Chaplain Corps through history and the dedication of these clergymen in uniform, John Daly hosts a visit to the Chaplain's School at Fort Hamilton, New York and some of the duty stations where Chaplains serve. Color-Released 68-69 Season.

TV 736, VIETNAM CRUCIBLE

"Vietnam Crucible" is a report to the American soldier of Army activities in Vietnam. This Big Picture presentation portrays the

civilian as well as the military situation in the Republic of Vietnam. Color-Released 67-68 Season.

TV 735, THE FIGHT FOR LIFE

The war in Vietnam is fought in a hostile environment against an elusive enemy. As in any war, the sick and wounded require immediate medical assistance. The Big Picture documents the work being done by the men and women of the U.S. Army Medical Services as they help the soldier win, "The Fight for Life." Color-Released 67-68 Season.

TV 734, YAR #14

The men of the United States Army Reserve have an important mission to fulfill in defense of America. To meet this mission they must be well trained in the latest techniques of modern warfare. "Your Army Reports, #14" features the training activities of the 205th Infantry Brigade (Separate) of the U.S. Army Reserve as it prepares to meet its mission in defense of America. Color-Released 67-68 Season. WITHDRAWN FROM TV.

TV 733, PLATOON LEADER

It takes men of leadership to lead a platoon of men in battle, men who can quickly assess the situation and make the right decision at the right time. The story of these men and the training they receive in the Army is depicted in the Big Picture presentation. Color-Released 67-68 Season.

TV 732, THEY CLEAR THE WAY

Part of the job of the U.S. Army Engineers is to build the bridges, airfields and roads which bring mobility to the combat forces. The Big Picture presentation, "They Clear the Way," depicts the story of these difficult and challenging missions in Vietnam. Color-Released 67-68 Season.

TV 731, THE SENIOR SOLDIER

In today's modern and complex Army the role of the noncommissioned officer has greatly expanded. He has become part of a highly technical, creative, and resourceful middle management team. "The Senior Soldier" is the story of this team and the men who provide the fact-to-face leadership which gets the job done. Color-Released 67-68 Season.

TV 729, YAR #13

The Army Chief of Staff, General Harold K. Johnson, decorates Warrant Officer Jerome R. Daley for gallantry in action in this edition of "Your Army Reports." Army combat photographers move forward with the 1st Cavalry Division and Vietnamese troops during an amphibious landing and search for the Viet Cong. And finally, "Your Army Reports #13" depicts the important mission of harbor pilots in the busy Port of Qui Nhon. Color-Released 67-68 Season. WITHDRAWN FROM TV.

TV 728, THE ARMY TRIANGLE

Three things dear to the heart of the soldier are food, mail and pay. The story of how these important items are processed and delivered to the soldier is detailed in this Big Picture documentary film. Color-Released 67-68 Season.

TV 727, CONARC, HQ OF THE U.S. SOLDIER

The weapons of warfare are not enough to defend America in today's complex international community. It takes organization and men of vision; men capable of seeing the Big Picture. "Continental Army Command-Headquarters of the U.S. Soldier" is the story of these men and how they are organized and trained to defend America. Color-Released 67-68 Season.

TV 726, THE ARMY'S CIVILIANS

The Army Civilian plays an important role in the defense of America. Highly skilled, and completely dedicated to his country, he serves America well at home and abroad; in peace and in war. The Big Picture presentation, "The Army's Civilians," depicts the story

of these men and women and their service to our country. Color—Released 67-68 Season.

TV 725, SONG OF THE SOLDIER

Throughout history soldiers have gone to war with a song. Their songs express pride in country, belief in cause, and determination to win the battle and return home. You are invited to join the United States Army band and chorus in the Big Picture presentation, "The Song of the Soldier," as they sing the songs of the American soldier, from the Revolutionary War to Vietnam. Color—Released 67-68 Season.

TV 724, READY TO STRIKE

The "Tropic Lightning" 25th Infantry Division has a distinguished history beginning in World War II. The exploits of this division in Vietnam as a combat unit and a nation building force are portrayed in the Big Picture "Ready to Strike." Color—Released 67-68 Season.

TV 723, WHEN THE CHIPS ARE DOWN

A major portion of the nation's strength in reserve lies in the National Guard. Bob Hope uses his light touch to narrate this Big Picture presentation which shows the training and readiness of the citizen soldiers. Color—Released 67-68 Season.

TV 722, YAR NO. 12

The Army Chief of Staff, General Harold K. Johnson, speaks at the Annual Convention of the Association of the United States Army in this edition of "Your Army Reports." Then it's off to Vietnam to visit with Vietnamese civilians working with the United States Army, and a special feature on the Army Combat Photographer. Color—Released 67-68 Season. WITHDRAWN FROM TV.

TV 721, PHYSICAL FITNESS

The future of America's fighting force is invested in the Physically Fit; the men and women with the strength and courage to protect her interests. Therefore, the Army places a great deal of emphasis on physical training in developing the soldier. This training is the theme of the Big Picture, "Physical Fitness." Color—Released 67-68 Season.

TV 720, THE SKY SOLDIERS

Since its arrival in Vietnam in 1965 the 173rd Airborne Brigade has played an important role in war and in peace . . . the 173rd landed at Vung Tau to secure and defend the airfield; . . . the 173rd mounted a large scale attack against the enemy in the heavily fortified Bien Hoa area and the 173rd undertook the mission of protecting the rice harvest for a hungry people under operation "New Life." THE BIG PICTURE presentation "The Sky Soldiers" shows the 173rd Airborne Brigade in Vietnam in a role of courage and sacrifice. Color—Released 67-68 Season.

TV 719, ARMY TRANSPORTATION—KEY TO MOBILITY

Transportation has always played an important role in deciding the victory in warfare. The Spanish Armada of 1588, for instance, never accomplished its mission, and the Spanish Army never reached the battlefield. In the American Army today, delivering men and equipment to the battlefield is the job of the Army Transportation Corps. This challenging job is handled by highly trained professionals. "Army Transportation—Key to Mobility" is the story of these professionals and their training in the Army Transportation Corps. Color—Released 67-68 Season.

TV 718, YOUR ARMY REPORTS

The helicopter pilot has a big job in the Army, and this job gets even bigger when he arrives in Vietnam. For the helicopter lends mobility in difficult terrain, as it transports men and equipment to the battlefield. "Your Army Reports No. 11" spends a day with a helicopter pilot, and then joins a Chaplain who uses the helicopter to bring religious services to men of the Special Forces in Viet-

nam. Finally, this edition of "Your Army Reports" travels to Europe for firepower demonstrations at the Seventh Army Senior Commander's Orientation. Color—Released 67-68 Season.

TV 717, READY 'ROUND THE WORLD

In the cold realism of war you are either ready or you're dead. There is no second chance. This is true of nations as well as individual soldiers. A nation must be ready to meet any action another nation may initiate. Its strength and ability must discourage nations of hostile intent. "Ready 'Round the World" is a film which depicts America's strength in the complex international world of the sixties. It is a film which speaks of men on guard around the world protecting the American way of life. Color—Released 67-68.

TV 716, THE BIG RED ONE IN VIETNAM

In World War II the First Infantry Division landed on Omaha Beach. After securing the beach they drove inland toward Hitler's Germany, and became a legend in their own time. Twenty-one years later a new threat to free men arose, and "The Big Red One" returned to the battlefield in Vietnam. "The Big Red One in Vietnam" is the story of this battlefield and one of America's most colorful units. The story of men bringing hope and security to people who have known only disillusionment and fear. Color—Released 67-68 Season.

TV 715, THE O.C.S. STORY

Thomas Jefferson expressed a basic attitude of the American people, when he said: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of men." This fundamental belief in the individual has met the test of the 20th century, as the American Army has met the challenge of Fascism, Nazism, and Communism. The Army is welded together by leadership; by men who inspire others and lead them to victory. "The O.C.S. Story" introduces young American men and the special training they receive in the United States Army to become Second Lieutenants. Color—Released 67-68 Season.

TV 714, SCREAMING EAGLES IN VIETNAM

The 101st Airborne Division earned a place in history with its gallant fight during the battle of the bulge. General McAuliffe's reply to the German surrender ultimatum was "Nuts" and this aggressive spirit made the division an incomparable fighting team. Twenty years later, a new generation of soldiers, with the same esprit-de-corps, took the battlefield in southeast Asia. Their dynamic exploits are recorded in "The Screaming Eagles in Vietnam." Color—Released 67-68 Season.

TV 713, YOUR ARMY REPORTS NO. 10

This issue of "Your Army Reports" travels to Virginia and the Institute of Heraldry, where a group of specialists design and develop a variety of heraldic insignia for agencies of the Federal Government. Then a story from Thailand where United States Army Engineers assist the government in constructing houses, bridges and roads. And finally "Your Army Reports" goes to Vietnam where infantrymen search Viet Cong tunnels for arms and information. Color—Released 67-68 Season.

TV 712, THE PERSHING—SEVENTH ARMY BLACKJACK

In 1958 it became evident that a smaller, lighter and more mobile solid propellant ballistic missile was needed to replace the Redstone. An Army rocket team was assembled to work with Martin Aircraft Company on the project. This combined team developed the Pershing Missile; a supersonic, surface-to-surface missile with a four hundred mile range. The film "The Pershing—Seventh Army Blackjack" tells the story of this mission. Color—Released 67-68 Season.

TV 711, THE "I" IN INFANTRY

A young man entering the Army is trained to be an Infantry Soldier. It doesn't happen overnight. It takes time. He has to learn how to control his fear, to handle his weapons, and more important he must find himself. He must learn where he fits into his infantry unit. And he must learn that his unit, and his comrades are depending on him—the individual. The "I in Infantry" is the personal story of a young man's development as an infantryman. Color—Released 67-68 Season.

TV 710, SHOTGUN RIDER

The Shotgun Rider, protecting the stagecoach, blasted a colorful trail through the pages of American history. Today he still plays a colorful role, for the war in Vietnam has put the shotgun rider back in business. Not aboard a stagecoach, but in a helicopter. His weapon is no longer a shotgun, but a machine gun. His mission, however, is the same; to protect the interest of a free people as he stretches from his helicopter firing at enemy targets. The film "Shotgun Rider" is the story of these men, and their important mission in Vietnam. Color—Released 67-68 Season.

TV 709, IT'S UP TO YOU—BASIC COMBAT TRAINING

A military unit needs well-led, intelligent, rugged and skilled soldiers. This is the function of Army training; to shape the men who are the Army. The eight weeks of basic combat training are shown in this film as a new trainee learns the skills from seasoned veterans and progresses from civilian to soldier. Color—Released 67-68 Season.

TV 708, STAY ALERT STAY ALIVE

To stay alive, the soldier must stay alert. Training in the United States readies him for his job but new lessons are learned every day. To pass this information on to newly arriving soldiers at the 1st Brigade of the 101st Airborne Division in Vietnam, an intense, rugged school is conducted by men who have stayed alert and stayed alive. This film shows how this training program operates on the scene in Vietnam. Color—Released 67-68 Season.

COMMERCIAL AND EDUCATIONAL TELEVISION STATIONS REQUESTING THE BIG PICTURE FIRST U.S. ARMY

(First run, station, location, day, and time)
WPIX-TV, New York, N.Y., Saturday, 1230.
WKBN-TV, Youngstown, Ohio, Saturday, 1730.
WHCT-TV, Hartford, Conn., Saturday, 1430.
WBZ-TV, Boston, Mass., Saturday, 0630.
WJAC-TV, Johnstown, Pa., Sunday, 1330.
WLWC-TV, Columbus, Ohio, Thursday, 1300.
WCAX-TV, Burlington, Vermont, Sunday, 1300.
WPTZ-TV, Plattsburgh, N.Y., Sunday, 1030.
WDBJ-TV, Roanoke, Virginia, Saturday, 1430.
Athens Community-TV, Athens, Ohio, Saturday, 1900.
WATR-TV, Waterbury, Conn., Tuesday, 1700.
WSBA-TV, York, Pa., Sunday, 1200.
WXEX-TV, Richmond, Va., Saturday, 0700.
WDTV-TV, Bridgeport, W. Va., Sunday, 1430.
WRFT-TV, Roanoke, Va., Sunday, 1830.
KDKA-TV, Pittsburgh, Pa., Saturday, 0630.
WBGU-TV, Bowling Green, Ohio, Friday, 1900.
WSBK-TV, Boston, Mass., Sunday, 2315.
WPAY, Portsmouth, Ohio, Wednesday, 1700.
(Second run, station, location, day, and time)
WLTW-TV, Bowling Green, Ky., Sunday, 1430.
WABI-TV, Bangor, Maine, Saturday, 1600.

WOKR-TV, Rochester, N.Y., Sunday, 1200 every other week.
 WNYC-TV, New York, N.Y., Sunday-Saturday, 1900-2100.
 WTAR-TV, Norfolk, Va., Sunday, 1200.
 WBLG-TV, Lexington, Ky., Thursday, 2200 some weekend afternoons.
 WGSF-TV, Newark, Ohio, Tuesday, 2130.
 WHRO-TV, Norfolk, Va., Monday-Wednesday, 2230-2300.
 WCMC-TV, Wildwood, N.J., Tuesday, 1800.
 WLVT-TV, Bethlehem, Pa., Wednesday, 2230.
 WLW-D, Dayton, Ohio, Sunday, 1000.
 WYAH-TV, Portsmouth, Va., Wednesday, 1700.
 WSWO-TV, Springfield, Ohio, Saturday, 1600.
 WPHL-TV, Philadelphia, Pa., Wednesday, 1030.
 Meadville Master Antenna, Meadville, Pa., Monday-Tuesday, 1800 Alternate Weeks; Friday, 1800 Every week.
 WIIC-TV, Pittsburgh, Pa., Sundays, 1300.
 (Third run, station, location, day, and time)
 Chillicothe Telcom Inc., Chillicothe, Ohio, Thursday, 1830.
 WICU-TV, Erie, Pa., Saturday, 1330.
 WMET-TV, Baltimore, Maryland, Sunday, 2230.
 WFBG-TV, Altoona, Pa., Saturday, 1930.
 WOTE-TV, Toledo, Ohio, Monday, 1930.
 WFMJ-TV, Youngstown, Ohio, Saturday, 1730.
 Southern Tier TV Cable Co. Inc., Portsville, New York, Sunday, 0800.
 WSKG-TV, Binghamton, N.Y., Monday, 2230.
 WFPK-TV, Louisville, Ky., Friday, 2130.
 WMZR-TV, Manchester, N.H., Sunday, 2430.
 WHIS-TV, Bluefield, W. Va., Saturday, 1730.
 WSVI-TV, U.S. Virgin Islands, Saturday, 1830.
 Tri-Cities Cable TV, Inc., Petersburg, Va., Saturday, 1100.
 (Fourth run, station, location, day, time)
 WRGB-TV, Schenectady, N.Y., Weekend, Standby.
 WSYR-TV, Syracuse, N.Y., Standby.
 WBNF-TV, Binghamton, N.Y., Standby various times & days.
 WKTU-TV, Utica, N.Y., Standby.
 WWNV-TV, Watertown, N.Y., various Sundays.
 WAGM-TV, Presque Isle, Maine, Weekends, between 1 & 4 Standby.
 WWLP-TV, Springfield, Mass., Standby.
 WAVE-TV, Louisville, Ky., Weekend, Standby.
 WLKY-TV, Louisville, Ky., Standby.
 WOAY-TV, Beckley, W. Va., Standby.
 WMHT-TV, Schenectady, N.Y., Standby.
 WTAE-TV, Pittsburgh, Pa., Standby.
 WHNB-TV, West Hartford, Conn., Weekend, Standby.
 WTPA-TV, Harrisburg, Pa., Standby.
 WPSD-TV, Paducah, Ky., Weekend, Standby.
 WARD-TV, Johnstown, Pa., Weekends, With sports Standby.
 WYTV-TV, Youngstown, Ohio, Standby.
 WHYN-TV, Springfield, Mass., Standby.
 WLYH-TV, Lebanon, Pa., with sports Standby.
 WLEX-TV, Lexington, Ky., Standby.
 (Fifth run, station, location, day, and time)
 WNHC-TV, New Haven, Conn., Standby.
 WSPD-TV, Toledo, Ohio, Standby.
 WHP-TV, Harrisburg, Pa., Weekends, Standby.
 WTVR-TV, Richmond, Va., Sunday, Various.
 WBJA-TV, Binghamton, N.Y., Standby.
 WLVA-TV, Lynchburg, Va., Standby.
 WGAL-TV, Lancaster, Pa., Standby.
 WBRA-TV, Roanoke, Va., Standby.
 WTVN-TV, Columbus, Ohio, Standby.

WJZ-TV, Baltimore, Maryland, Standby.
 WNEP-TV, Avoca, Pa., Standby.
 WBOY-TV, Clarksburg, W. Va., Weekend, Standby.
 WMAR-TV, Baltimore, Md., Weekend afternoon, Standby.
 WHIZ, Zanesville, Ohio, Standby.
 WCHS-TV, Charleston, W. Va., Standby.
 WCAU-TV, Philadelphia, Pa., Standby.
 WVIA, Scranton, Pa., Standby.
 Special station, location, day and time
 WCBS-TV, New York, N.Y., Standby.
 WBNB-TV, U.S. Virgin Islands, Thursday, 1630.
 WINR-TV, Binghamton, N.Y., Monday, Wednesday, Friday, 0930.
 WLIW-TV, Long Island, N.Y. Once a month.

THIRD U.S. ARMY

(First run, station, location, day, and time)
 WSB-TV, Atlanta, Ga., Wednesday, 0610.
 WRAL-TV, Raleigh, N.C., Sunday, 0630.
 WRDU, Durham, N.C., Sunday, 0700.
 WTVT-TV, Tampa, Fla., Used as stand-by.
 WCTV-TV, Tallahassee, Fla., Weekend stand-by.
 WBBJ-TV, Jackson, Tenn., Sunday, 1730.
 API-TV, Auburn, Ala., Saturday, 1030.
 WBRG-TV, Birmingham, Ala., Sunday, 0530.
 WCSC-TV, Charleston, S.C., Used as stand-by.
 WNOK-TV, Columbia, S.C., Sunday, 1300.
 WDCN-TV, Nashville, Tenn., Friday, 1800.
 WJHL-TV, Johnson City, Tenn., Saturday, 1300.
 WKNO-TV, Memphis, Tenn., Monday-Thursday, 1530-0930.
 WSJS-TV, Winston-Salem, N.C., Sunday, 1200.
 WFBC-TV, Greenville, S.C., Saturday, 1300.
 WEAT-TV, West Palm Beach, Fla., Sunday, 1830.
 WAIM-TV, Anderson, S.C., Sunday, 1830.
 (Second run, station, location, day, and time)
 WAPI-TV, Birmingham, Ala., Sunday, 0600.
 WMSL-TV, Huntsville, Ala., Wednesday, 1530.
 WOWL-TV, Florence, Ala., Saturday-Sunday, 1400-1130.
 WKRQ-TV, Mobile, Ala., used as a stand-by.
 WEAR-TV, Pensacola, Fla., Sunday, as needed.
 WEDU-TV, Tampa, Fla., Monday-Tuesday, 1030-1830.
 WETV-TV, Atlanta, Ga., Sunday, 1030.
 WDAM-TV, Hattiesburg, Miss., Sunday, 1730.
 WCCB-TV, Charlotte, N.C., used as stand-by.
 WITN-TV, Washington, N.C., Sunday, 0800.
 WBTW-TV, Florence, S.C., used as stand-by.
 WUSN-TV, Charleston, S.C., Sunday, as needed.
 WOLO-TV, Columbia, S.C., Saturday, 1430.
 (Third run, station, location, day, and time)
 WEIQ-TV, Daphne, Ala., used as stand-by.
 WKAB-TV, Montgomery, Ala., Saturday, 0700.
 WTHS-TV, Miami, Fla., used as stand-by.
 WDBO-TV, Orlando, Fla., Tuesday, 0600.
 WAAV-TV, Huntsville, Ala., Sunday, 0600.
 WSUN-TV, St. Petersburg, Fla., Sunday, 1600.
 WNCT-TV, Greenville, N.C., Sunday, 1130.
 WECT-TV, Wilmington, N.C., Sunday, 1230.
 WTVV-TV, Tupelo, Miss., Saturday, 1200.
 WUSN-TV, Charleston, S.C., Sunday, 1600.
 WCBI-TV, Columbus, Miss., Saturday-Sunday, 1200-1200.
 WLBT-TV, Jackson, Miss., Saturday, 1730.
 (Fourth run, station, location, day, and time)
 WUFT-TV, Gainesville, Fla., used as stand-by.
 WPTV-TV, Palm Beach, Fla., Sunday, 1200.
 WFSU-TV, Tallahassee, Fla., Friday, 0700.

WGTV-TV, Athens, Ga., Monday, 1200.
 WJBF-TV, Augusta, Ga., Monday, 0600.
 WABG-TV, Greenwood, Miss., Monday, 1700.
 WUNC-TV, Chapel Hill, N.C., Wednesday, 1600.
 WNBE-TV, New Bern, N.C., weekends as needed.
 (Fifth run, station location, day, time)
 WTVY-TV, Dothan, Ala., Sunday as needed.
 WUBC-TV, Greensboro, N.C., Saturday, 1330.
 WJKS-TV, Jacksonville, Fla., as stand-by.
 WCFT-TV, Tuscaloosa, Ala., Sunday, as needed.
 WUSF-TV, Tampa, Fla., Friday, 2030.
 WRBL-TV, Columbus, Ga., weekends as needed.
 WMAZ-TV, Macon, Ga., used as stand-by.
 WLOX-TV, Biloxi, Miss., used as stand-by.
 WATE-TV, Knoxville, Tenn., Sunday, 0900.
 Greenville Cab Vis Co., Greenville, Ala., Friday, 1730.
 (Sixth run, station, location, day, and time)
 WALA-TV, Mobile, Ala., Tuesday, 0625.
 WHTV-TV, Meridian, Miss., Sunday, 1430.
 WGIQ-TV, Clayton, Ala., Sunday, 1400.
 WHKY-TV, Hickory, N.C., Sunday, 1730.
 WRCB-TV, Chattanooga, Tenn., Saturday as needed.
 United Transmission Inc., Kingsport, Tenn., Saturday as needed.
 WSJK-TV, Knoxville, Tenn., used as stand-by.
 WTVX-TV, Fort Pierce, Fla., Sunday, 0800.
 WATU-TV, Augusta, Ga., Monday, 0630.
 WTUX-TV, Fort Pierce, Fla., Sunday, 1300.
 CS TV, Smyrna, Ga., Saturday, 0930.
 WBTU-TV, Charlotte, N.C., stand-by.
 FOURTH U.S. ARMY
 (First run, station, location, day, and time)
 KLRN, Austin, Texas, Tue & Sun, 2230 & 1730.
 KROD, El Paso, Texas, Sun, 0900-1300.
 KCEN, Temple, Texas, Sun, 1330.
 KWIX, Waco, Texas, Sat, 1330.
 KAIT, Jonesboro, Ark., Sun, 0730.
 KOSA, Odessa, Texas, Sat, 1500.
 WYES, New Orleans, La., Wed, 0600.
 KRIS, Corpus Christi, Texas, Sat, 1230.
 KNME, Albuquerque, N.M., Wed, 1800 (Sep thru May, also Thur 1400).
 KSWO, Lawton, Ok., Sun, 1200.
 KFSA, Fort Smith, Ark., Sun, 1230.
 (Second run, station, location, day, and time)
 CATV, Brownsville, Texas, Sun & Mon, 2300.
 KENW, Portales, New Mexico, Thurs, 1930.
 KRLD, Dallas, Texas, Sun, 0800.
 CATV, Las Vegas, N.M., Tue, 2030.
 (Third run, station, location, day, and time)
 KZTV, Corpus Christi, Texas, Sat, 1400.
 KSAM, Brooke Air Force Base, Texas, Fri, 1300.
 KALAB, Alexandria, Louisiana, Sun., 1600.
 (Fourth run, station, location, day, and time)
 KTHV, Little Rock, Arkansas, Sun, 1200.
 KLTU, Tyler, Texas, Thurs, 1700.
 KXII, Sherman, Texas, Sat, 1600.
 KTXU, Lubbock, Texas, Tue, 1830.
 (Fifth run, station, location, day, and time)
 KAUZ, Wichita Falls, Texas, Mon, 0630.
 KRGV, Weslaco, Texas, Sat, 1600.
 CATV, McAllen, Texas, All week days 1730.
 (Sixth run, station, location, day, and time)
 CATV, Kerrville, Texas, All week days, 1730.
 KGNS, Laredo, Texas, Sun, 1400-1600.
 KTEK, Ada, Ok.
 (Seventh run, station, location, day, and time)
 KOB, Albuquerque, New Mexico.
 KHFI, Austin, Texas.
 KDTV, Dallas, Texas.

(Eighth run, station, location, day and time)

KBIM, Roswell, New Mexico.
KNOE, Monroe, Louisiana.
KRBC, Abilene, Texas.
KGTO, Fayetteville, Arkansas.

(Ninth run, station, location, day and time)

WOAI, San Antonio, Texas.
KTRE, Lufkin, Texas.
KTXS, Abilene, Texas.
KATC, Lafayette, Louisiana.

(Tenth run, station, location, day, and time)

KCTV, San Angelo, Texas.
WBAP, Fort Worth, Texas.
KTVE, El Dorado, Arkansas.
KGBT, Harlingen, Texas.

FIFTH U.S. ARMY

(First run, station, location, day, and time)

KMTC-TV Springfield, Mo.
WHO-TV, Des Moines, Iowa, Sunday, 1000.
KOSD-TV, Kansas City, Mo., Wednesday, 1930.

KMTV-TV, Omaha, Neb., Standby Sat-Sun.
KKTU-TV, Colorado Springs, Colo., Sunday, 1200.

KYTV-TV, Springfield, Mo., Saturday, 1500.
WDAY-TV, Fargo, N.D., Saturday, 1130.
KDDP-TV, Des Moines, Iowa.
WMSB-TV, East Lansing, Mich., Standby.
KFQE-TV, Saint Joseph, Mo., Saturday, 1100.

WVTV, Milwaukee, Wis., Saturday, 1530.
WMTV-TV, Madison, Wis., Sunday, 1100.
WTAF-TV, Marion, Ind., Saturday, 2230.
WKOW-TV, Madison, Wis., Sunday, 1400.
WLXT-TV, Aurora, Illinois.
KOAM-TV, Pittsburg, Kans., Sunday, 1130.
KTIV-TV, Sioux City, Iowa, Sunday, 1430.
KHAS-TV, Hastings, Neb., Saturday, 1700.
WCMU-TV, Mt. Pleasant, Mich., Friday, 1900.

KYNE-TV, Omaha, Neb.

(Second run, station, location, day, and time)

KEETV, Omaha, Neb., Saturday, 0700.
KTTS-TV, Springfield, Mo., Sunday, 0700.
WKNX-TV, Saginaw, Mich., Sunday, 1230.
WANE-TV, Fort Wayne, Ind., Standby.
KTWO-TV, Casper, Wyo., Standby.
WEAU-TV, Eau Claire, Wis., Sunday, 1000.
KCRG-TV, Cedar Rapids, Iowa, Standby.
WSBT-TV, South Bend, Ind., Sunday, 1200.
KRSD-TV, Rapid City, S.D., Saturday, Afternoon.

WMVS-TV, Milwaukee, Wis., Friday, 2000.
KPMF-TV, Fargo, N.D., Standby.
KUSD-TV, Vermillion, S.D., Standby.
WOC-TV, Davenport, Iowa, Standby.
WOOD-TV, Grand Rapids, Mich., Saturday, 1400.

WPTA-TV, Fort Wayne, Ind., Standby.
WICS-TV, Springfield, Ill., Standby.
KTSB-TV, Topeka, Kans.
KXMB-TV, Bismarck, N.D., Saturday, 1300.

(Third run, station, location, day, and time)

KEOC-TV, Rochester, Minnesota, Sunday, 1130.
KFVS-TV, Cape Girardeau, Mo., Sunday, 0630.

KQTV, Fort Dodge, Iowa.
KFYR-TV, Bismarck, N.D., Standby.
KXMC-TV, Minot, N.D., Standby.
KUON-TV, Lincoln, Neb., Thursday, 1730.
WDSM-TV, Duluth, Minn., Standby.
WNEM-TV, Saginaw, Mich., Saturday, 0700.
KUMV-TV, Williston, N.D., Standby.
WFAM-TV, Lafayette, Ind., Saturday, 1700.
KPLR-TV, Saint Louis, Missouri, Sunday, 1130.

WSIU-TV, Carbondale, Ill., Tuesday, 1800.
KGLO-TV, Mason City, Iowa, Saturday, 1630.

WISH-TV, Indianapolis, Ind., Standby.
WKZO-TV, Kalamazoo, Mich., Standby.
KOA-TV, Denver, Colo., Saturday, 1400-1600.

KVTV, Sioux City, Iowa.
KFBC-TV, Cheyenne, Wyo., Standby.
WILX-TV, Jackson, Mich., Saturday, 1200.
CATV, Liberal, Kansas.

(Fourth, run, station, location, day, and time)

KOAA-TV, Pueblo, Colo., Standby.
KNOP-TV, North Platte, Neb., Wednesday, 1530.

KAYS-TV, Hays, Kans., Standby.
KRDO-TV, Colorado Springs, Colo., Standby.

WHBF-TV, Rock Island, Ill., Saturday, 1300.
KREX-TV, Grand Junction, Colo., Standby.

KHOL-TV, Kearney, Neb., Sunday, 1730.
KTVO, Ottumwa, Iowa, Standby.

WAND-TV, Decatur, Ill.,
WCIA, Champaign, Ill., Standby.
WMBD-TV, Peoria, Ill., Standby.

WWTU, Cadillac, Mich., Standby.
KWRB-TV, Thermopolis, Wyo., Standby.
WLBC-TV, Muncie, Ind., Standby.

WTHI-TV, Terra Haute, Indiana.
KSOO-TV, Sioux Falls, S.D., Standby.
WISN-TV, Milwaukee, Wis., Standby.

WOI-TV, Ames, Iowa, Standby.
KETC-TV, Saint Louis, Mo., Standby.
WIBW-TV, Topeka, Kansas, Saturday, 1230.

(Fifth run, station, location, day, and time)
KELO-TV, Sioux Falls, S.D., Standby.

WFRV-TV, Green Bay, Wis., Standby.
WTVU-TV, Rockford, Ill., Sunday, 1300.
WSAU-TV, Wausau, Wis., Standby.

COLUMBUS CATV, Columbus, Neb., Friday, 1930.

WMT-TV, Cedar Rapids, Iowa, Standby.
WVUT-TV, Vincennes, Ind., Friday, 1630.
WJRT-TV, Flint, Mich.

KPIZ-TV, Fond Du Lac, Wisc.
KORN-TV, Mitchell, S.D., Standby.
KOTA-TV, Rapid City, S.D., Saturday, 1130.

WPBN-TV, Traverse City, Mich., Saturday, 1600.

WKJG-TV, Fort Wayne, Ind., Standby.
WTVU-TV, Decatur, Ill., Standby.

KTVH-TV, Wichita, Kans., Standby.
KMOS-TV, Sedalia, Mo., Standby.
KTHI-TV, Fargo, N.D., Standby.

KCTV, Rock Springs, Wyo.
KTVU-TV, Ensign, Kans., Standby.

(Sixth run, station, location, day, and time)
KXAB-TV, Aberdeen, S.D., Standby.

KTVS, Sterling, Colo., Standby.
WDSE-TV, Duluth, Minn.
KTWU-TV, Topeka, Kans.

WQAD, Moline, Ill.
CATV, Colorado Springs, Colo.
MULTI VIEW TV, Grand Island, Neb.

KTCA-TV, St. Paul, Minn.

SIXTH U.S. ARMY

(First run, station, location, day, and time)

KLXA, Hollywood, Ca., Sunday, 1430.
KPIX, San Francisco, Ca., Sunday, 0630.

KTVW, Tacoma, Wash., Saturday, 1530.
KOSM, San Mateo, Ca., Tue/Thur.
KWCS, Ogden, Ut., Tuesday, 1130.

KEYT, Santa Barbara, Ca., Sat/Sun.
KOOK, Billings, Mt., Sunday, 1100.
KORK, Las Vegas, Nv., Mon/Thur, AM.

KXTV, Sacramento, Ca., Thursday, 0700.
KMST, Monterey, Ca., Sat/Sun, PM.

(Second run, station, location, day, and time)

KWHY, Hollywood, Ca., Sunday, 1930.
KLOC, Modesto, Ca., PM.

KBYU, Provo, Ut., Fri./Mon., PM.
KTLE, Pocatello, Id., PM.
KAET, Tempe, Az., Thursday, 1930.

KGVO, Missoula, Mt., Sat./Sun., PM.
KMEB, Medford, Or., Sat./Sun, PM.
KCOY, Santa Maria, Ca., Sun./Wed., PM.

KUID, Moscow, Id., Friday, PM.

Third run, station, location, day, and time.

KBOI, Boise, Id., Sat./Sun.
College of the Desert, Palm Desert, Ca., Tue./Thur.

KMJ, Fresno, Ca.
KBAK, Bakersfield, Ca., Saturday, 1600.
KBLU, Yuma, Az., Saturday, 1600.

KIEM, Eureka, Ca., Saturday, 1700.
KHSL, Chico, Ca., Tuesday, 0700.

KHBV, Henderson, Nv., Sat./Sun., 1630.

KUAT, Tucson, Az.

KOMO, Seattle, Wa., Sat./Sun., PM.

(Fourth run, station, location, day, and time)

KPTV, Portland, Or., 1 per month.
KTPS, Tacoma, Wa., Thursday.

KCRL, Reno, Nv., Saturday 1500 alt weeks.
KNDO, Yakima, Wa., Sat/Sun PM.

KIFI, Idaho Fall, Id., Sunday 1230.
KIVA, Yuma, Az., Saturday PM.

Tahoe Cable, Bijou, Ca., Wed/Thur PM.
KOGO, San Diego, Ca.
Com Antenna, Reno, Nv., Friday PM.

(Fifth run, station location, day, and time)

KPLM, Palm Springs, Ca., Sun/Wed 1330.
KCFW, Kalispell, Mt., Fri/Sat 1230.

KTLE, Pocatello, Id.
KORK, Las Vegas, Nv., Mon/Fri PM.

KTXL, Sacramento, Ca., Sat/Mon 0900.
KMIR, Palm Springs, Ca., Sat/Sun PM.

Mr. FULBRIGHT. The manner in which this program operates illustrates how the military services can quietly develop their extensive public relations capability with little public or congressional knowledge or interference.

In the Army, the official source of still or motion picture coverage for public information or public relations is the Signal Corps. All Army audiovisual activities are under the command of the Assistant Chief of Staff for Communications-Electronics who thus controls the budget financing those activities outside the information field.

According to Army regulations, there is to be one photographic facility at each installation. The "Army Information Officers' Guide" states that the "amount of photographic support for information activities varies with the size of the—Signal Corps—photographic laboratory facilities, the number of photographers available, transportation to cover assignments." The Guide further states:

If the commander is convinced the need exists, the information office may purchase cameras, film and film processing equipment through nonappropriated funds.

The need for darkroom space close to the information office may also be justified. Thus, it is possible out of nonappropriated funds to establish a photographic support capability within the information office similar to any modern newspaper.

The Army's photographic operation recently has been expanded to include the Department of Army Special Photographic Office. According to the Army Regulation 108-5, this office was established to work overseas "for the purpose of obtaining filmed documentation of U.S. Army activities in the cold war with a primary emphasis on counterinsurgency."

This preoccupation with the "cold war" is repeated in the same regulation when, among the types of photographic coverage to be carried on by Army units it lists "Cold War." Photographic coverage in support of cold war activities."

A motion picture team from this Special Cold War Photographic Office is on duty in Korea. According to a 3-month report of the Eighth Army Command Information program for the third quarter of fiscal year 1969, it shot 32,112 feet of motion picture film and 1,341 still photos, including color 16-millimeter footage of such things as Republic of Korea Armed Forces Day ceremonies; bridges, roads,

rall throughout Korea; and the "Focus Retina" joint airborne exercise with United States and Korean forces.

According to information given to me, "about 180 motion picture films produced by the Army for training or other internal uses were cleared for public non-profit exhibition upon request. Approximately 80 of these were medical professional films or videotapes cleared for exhibition to professional medical groups."

This would mean that no less than 100 Army films in 1 year are made available to the public.

Another public relations program carried on by the Army is that of its Exhibit Unit. This organization had an annual cost of \$906,000, according to information supplied me by the Army. According to the semiannual report of the Army's Community Relations Branch, some 13.5 million persons viewed the 22 Army exhibits that traveled the country in the last 6 months of 1968.

I ask unanimous consent to have printed at this point in the RECORD a list of the exhibits constructed since 1967 and the exhibit schedule for Army exhibits from January 1, 1968, to June 30, 1969.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

EXHIBITS DESIGNED OR DESIGNED AND BUILT BY U.S. ARMY EXHIBIT UNIT JULY 1, 1967 TO JUNE 30, 1969 (DOES NOT INCLUDE REFURBISHING OR UPDATING OF TOURING EXHIBITS)

"Fibers of Faith—A Source of Strength" (Completed July 1967) U.S. Army Chaplaincy Exhibit: The exhibit presents, through art and artifacts, the role of the chaplaincy in the history of the U.S. Army.

"U.S. Army Soldiers at Law" (Completed October 1967) Judge Advocate General Exhibit: An indoor exhibit which features the legal services and responsibilities of the Judge Advocate General Corps. Photomural panels and accompanying text spotlight the Corps, its history, legal activities, and advanced educational opportunities. The exhibit is intended to introduce the Army's Corps of lawyers to members of the bar, law students and specialized audiences.

"U.S. Army—Modern and Efficient" (Completed March 1968) Chicago Museum of Science and Industry Exhibit: Located semi-permanently in the Chicago Museum of Science and Industry, this exhibit is devoted to the theme "Modern Materiel for a Modern Army." The exhibit features actual equipment and audience participation devices.

"DOD Information Center" (Completed August 1968) Pentagon Concourse: This display is designed to acquaint visitors with the Department of Defense and the Pentagon. Through tapes and photos, the exhibit explains some of the interesting facts about the Pentagon, organization and missions and activities of the Department of Defense and introduces the viewer to the leaders of the armed services and the Department of Defense.

"OCINFO Concourse Display" (Completed August 1968): This panel display helps keep Pentagon visitors and workers up-to-date on current events and on the Army's activities around the world.

"U.S. Army, Vietnam—Building and Defending" (Completed September 1968): This exhibit describes the Army's role in Vietnam. The display presents background information on Vietnam, a brief outline history of the conflict, and a sampling of the Army's civic action projects to help the people of Vietnam. The message is presented by means of color

photomurals, artwork, slides and transparencies.

"U.S. Army, Alaska" (Completed October 1968): This exhibit outlines the purpose of the Army in Alaska. It shows the strategic location of the state, the effectiveness of cold-weather training and the usefulness of the rugged conditions in testing new equipment. A film, slides, backlit color transparencies and animated artwork convey the exhibit's message. The display consists of three free-standing modules surrounding a central module. It is currently being exhibited under the auspices of USARAL at Fort Richardson.

"Communist Equipment in Use in Vietnam" (Completed January 1969): This modular-type exhibit displays infantry weapons and personal equipment currently in use by the North Vietnamese Army and the Viet Cong in Vietnam.

"U.S. Army—Forward March" (Completed March 1969) Basic Combat Training Exhibit:

This indoor, walk-through exhibit tells the story of the new soldier's first training experience. A variety of audio-visual techniques take the viewer from the trainee's arrival at a U.S. Army Reception Station through his phases of training to his graduation from basic combat training 8-9 weeks later.

"U.S. Army—Outline for Progress" (Completed June 1969) 4M Exhibit: The 4M theme illustrated by this exhibit summarizes in a set of key words—mission, motivation, modernization and management—the Army's philosophy and goals. The exhibit consists of four modules each giving in broad outline the tasks and goals summarized by one M. Copy, photographs, backlit color transparencies and artwork are used to present the theme. In addition, the exhibit uses several animated panels, audience participation devices and a slide presentation with a taped narration.

EXHIBIT SCHEDULES, JANUARY 1, 1968 TO DECEMBER 31, 1968

ADAPTING TO LIVING IN THE NUCLEAR AGE

March 10-17, Hollywood, Fla.
March 21-23, Gadsden, Ala.
March 27-30, Salisbury, N.C.
April 1-6, Fayetteville, N.C.
April 8-13, Raleigh, N.C.
April 16-19, Richmond, Va.
April 22-24, Hazlet, N.J.
April 26-28, Belmar, N.J.
May 3-5, Belleville, N.J.
May 7-9, Tom's River, N.J.
May 11-12, Roselle, N.J.
May 17-20, Carmi, Ill.
May 21, Cahokia, Ill.
May 23-25, Alton, Ill.
May 27-29, Edwardsville, Ill.
May 30-June 4, Granite City, Ill.
June 5-7, Edwardsville, Ill.
June 8-9, Highland, Ill.
June 10-11, East Alton, Ill.
June 12-13, Livingston, Ill.
June 14-16, Tremont, Ill.
June 20-23, Pontiac, Mich.
June 25-29, Salem, Ore.
July 3-7, Rushville, Ill.
July 9-11, Mattoon, Ill.
July 13, Quincy, Ill.
July 14, Morris, Ill.
July 18-19, Evanston, Ill.
July 25-28, Wheaton, Ill.
July 31-August 4, Baraboo, Wis.
August 6-11, Wausau, Wis.
August 13-21, Indianapolis, Ind.
August 25-31, Minot, N.D.
September 5-13, San Antonio, Tex.
September 16-21, Amarillo, Tex.
September 23-28, Lubbock, Tex.
October 1-5, Waco, Tex.
October 8-12, Angleton, Tex.
October 14-20, Beaumont, Tex.
October 24, Little Rock, Ark.
November 1-15, Cleveland, Tenn.

CAPTURED COMMUNIST EQUIPMENT No. 1

March 12-16, Columbia, S.C.
March 18-20, Savannah, Ga.
March 25-26, Jacksonville, Fla.
March 28-30, Waycross, Ga.
April 3-6, Sanford, Fla.
April 9-12, Panama City, Fla.
April 22-25, Mobile, Ala.
April 30-June 5, Cleveland, Tenn.
May 8, Hampton, Va.
May 11, Wayne, Pa.
May 13-17, Hershey, Pa.
May 19-24, Akron, O.
May 27-June 2, Cleveland, O.
June 7-9, Rock Falls, Ill.
June 11-16, Keene, N.H.
June 19-22, Painesville, O.
June 24-29, Richmond Heights, O.
July 3-9, Portsmouth, N.H.
July 11-14, Concord, N.H.
July 16-20, Portland, Me.
July 22-27, Brookfield, N.Y.
August 3-4, Erie, Pa.
August 6-10, Pittsburgh, Pa.
August 13-15, McKeesport, Pa.
August 17-24, Greensburg, Pa.
August 27-September 2, Syracuse, N.Y.
September 5-8, St. Clairsville, O.
September 10-14, York, Pa.
September 16-17, La Vale, Md.
September 20-29, Richmond, Va.
October 2-5, Greenville, S.C.
October 8-12, Winston-Salem, N.C.
October 15-16, Jacksonville, Fla.
October 19-26, Mobile, Ala.
October 29-November 3, Tallahassee, Fla.
November 5-9, Bushnell, Fla.
November 11, Madison, Fla.
November 13-19, Tampa, Fla.
November 23-December 1, Roanoke, Va.

CAPTURED COMMUNIST EQUIPMENT NO. 2

March 8-13, Pittsburgh, Pa.
March 17-23, Chicago, Ill.
March 29-31, Kennedy, Minn.
April 4-6, Wheaton, Ill.
April 15-17, Vint Hill Farms, Va.
April 19-22, Richmond, Va.
April 24-28, Norfolk, Va.
May 3-5, Atlanta, Ga.
May 8-10, Kennedy Space Center
May 13-18, Ft. Stewart, Ga.
May 29-June 2, Pensacola, Fla.
June 5-14, Cleveland, Tenn.
June 17-18, Lexington, Ky.
June 21-22, Viroqua, Wisc.
June 24-26, La Crosse, Wisc.
June 28-29, Minneapolis, Minn.
July 1-5, St. Cloud, Minn.
July 8-10, Crookston, Minn.
July 11-13, Grand Forks, N.D.
July 15-17, Devils Lake, N.D.
July 19-22, Minot, N.D.
July 25-28, St. Paul, Minn.
July 30-August 4, Hibbing, Minn.
August 9-18, Milwaukee, Wisc.
August 21-22, Grand Rapids, Mich.
August 25-27, French Lick, Ind.
August 29-September 1, Louisville, Ky.
September 4-6, Dresden, Tenn.
September 9-14, Concord, N.C.
September 17-19, Barnesville, Ga.
September 26-October 5, Birmingham, Ala.
October 7-13, Charlotte, N.C.
October 15-16, Greenville, S.C.
October 18-19, Charleston, S.C.
October 22-24, Nashville, Tenn.
October 28-31, St. Louis, Mo.
November 2-3, Waterloo, Iowa.
November 6-9, Fergus Falls, Minn.
November 11-14, Fargo, N.D.
November 30-December 13, Birmingham, Ala.

December 16-31, Little Rock, Ark.

CHAPLAINS (SHO-COACH)

March 22-30, Louisville, Ky.
April 2-4, Lawrenceburg, Tenn.
April 7-14, Montgomery, Ala.
April 17-22, Atlanta, Ga.
April 25, Orangeburg, S.C.

April 27-29, Charlotte, N.C.
 May 2-4, Winchester, Va.
 May 6-11, Greenville, S.C.
 May 13, Macon, Ga.
 May 15-16, Anderson, S.C.
 May 18, Ft. Gordon, Ga.
 May 20-25, Birmingham, Ala.
 May 27-31, Huntsville, Ala.
 June 3-6, Beckley, W. Va.
 June 9-16, Uhrichsville, O.
 June 19-22, Sandusky, O.
 July 11-13, Bradenton, Fla.
 July 16-17, Hattiesburg, Miss.
 July 19-20, Jackson, Miss.
 July 23-26, Little Rock, Ark.
 July 30-August 3, South Bend, Ind.
 August 5-9, St. Louis, Mo.
 August 12-17, Mammoth Springs, Ark.
 August 19-24, Carlisle, Pa.
 August 26-27, Wilmington, Del.
 August 31-September 4, Cleveland, O.
 September 7-14, Allegan, Mich.
 September 16-18, Highland Park, Ill.
 September 21-27, Louisville, Ky.
 September 30-October 5, Fayetteville, N.C.
 October 8-12, Winston-Salem, N.C.
 October 15-17, Ft. McPherson, Ga.
 October 20-25, Morristown, Tenn.
 October 28-30, Washington, D.C.
 November 2-5, Allentown, Pa.
 November 9, Midland Park, N.J.
 November 13-15, Ft. Meade, Md.
 March 17-28, Cleveland, Tenn.
 April 2-12, San Antonio, Tex.
 April 16-19, Oklahoma City, Okla.
 April 22-25, Colorado Springs, Colo.
 April 28-May 4, Prairie View, Tex.
 May 8-9, Amarillo, Tex.
 May 11, Amarillo, Tex.
 May 14-18, Dallas, Tex.
 May 22-30, Little Rock, Ark.
 June 3-7, Kansas City, Mo.
 June 8-15, Overland, Mo.
 June 18-23, Louisville, Ky.
 June 22-29, Charlotte, N.C.
 July 1-5, Greenville, N.C.
 July 10-13, Fairhaven, Mass.
 July 17-23, Washington, D.C.
 July 27-August 4, New Haven Conn.
 August 6-9, Portsmouth, N.H.
 August 12-17, Pittsburgh, Pa.
 August 29-September 5, Evansville, Ind.
 September 9-14, Abilene, Tex.
 September 15-18, Tulsa, Okla.
 September 21-29, Oklahoma City, Okla.
 October 9-12, Anniston, Ala.
 October 15-17, Ft. McPherson, Ga.
 November 4-8, Grand Forks, N. Dak.
 November 13-15, Ft. Meade, Md.
 March 4-9, Harrisburg, Pa.
 March 13-18, Norfolk, Va.
 March 22-23, Charleston, S.C.
 March 26-29, Athens, Tenn.
 April 2-15, Michigan City, Ind.
 April 18-22, Lexington, Ky.
 April 25-26, Charleston, W. Va.
 April 29-May 3, Fayetteville, Ark.
 May 8-15, Minot, N. Dak.
 May 17-21, Anoka, Minn.
 May 23-31, St. Paul, Minn.
 June 3-6, Brookfield, Wis.
 June 9, West DePere, Wis.
 June 14-22, Downers Grove, Ill.
 June 25-July 5, Bridgeport, Conn.
 July 9-14, Cherry Hill, N.J.
 July 17-22, Erie, Pa.
 July 26-27, Gary, Ind.
 July 31-August 2, Ft. Dodge, Iowa
 August 5-10, Lawrenceburg, Kan.
 August 13-18, Omaha, Neb.
 August 20-26, Bellevue, Neb.
 August 29-September 1, St. Louis, Mo.
 September 4-8, Ames, Iowa.
 September 10-13, St. Joseph, Mo.
 September 16-21, Amarillo, Tex.
 September 23-28, Lubbock, Tex.
 October 7-10, Gainesville, Ga.
 October 14-20, Pensacola, Fla.
 October 24, Florence, Fla.
 November 5-8, Hagerstown, Md.
 December 5-14, Washington, Pa.

HOW THE U.S. ARMY MEETS THE THIRD CHALLENGE

March 11-18, Atlanta, Ga.
 March 21-23, Greenville, S.C.
 March 26-30, Lakeland, Fla.
 April 3-8, Metairie, La.
 April 11-15, Alexandria, La.
 April 19-28, Shreveport, La.
 May 2-3, Columbus, Ga.
 May 6-11, Macon, Ga.
 May 12-16, Athens, Ga.
 May 18, Montgomery, Ala.
 May 19-25, Birmingham, Ala.
 May 30-June 1, Alton, Ill.
 June 5-8, Greece, N.Y.
 June 10-15, Buffalo, N.Y.
 June 17-20, Erie, Pa.
 June 21-22, Wellsboro, Pa.
 July 7-9, Grand Rapids, Mich.
 July 11-13, Hallock, Minn.
 July 17-22, Minneapolis, Minn.
 July 24-28, Faribault, Minn.
 August 4-10, Davenport, Iowa.
 August 13-18, Rapid City, S.D.
 August 29-September 2, Salem, Oreg.
 September 5-7, Portland, Oreg.
 September 9-14, Seattle, Wash.
 September 16-22, Seattle, Wash.
 September 25-30, Yakima, Wash.
 October 5-20, Dallas, Tex.
 October 24-29, Columbia, Mo.
 November 1-4, Kansas City, Mo.
 November 7-9, Fayetteville, Ark.
 November 15-19, Jacksonville, Fla.
 November 23-28, New Orleans, La.

MEDAL OF HONOR

July 14-18, Oklahoma City, Okla.
 July 24-26, Phoenix, Ariz.
 July 30-August 3, Costa Mesa, Calif.
 August 7-10, Hayward, Calif.
 August 14-18, Enumclaw, Wash.
 August 21-26, Kelso, Wash.
 August 29-September 2, Monroe, Wash.
 September 5-6, Portland, Oreg.
 September 13-29, Pomona, Calif.
 October 26, Ventura, Calif.
 October 10-13, Seattle, Wash.
 October 17-19, Bozeman, Mont.
 October 23-28, Provo, Utah.
 November 1-11, Phoenix, Ariz.
 November 23-30, Corpus Christi, Tex.
 December 17-18, Reldsville, N.C.
 December 21-24, Anniston, Ala.
 December 27-31, Montgomery, Ala.

SERVING WITH PRIDE AND DIGNITY

March 26-3, West Palm Beach, Fla.
 March 6-8, Washington, D.C.
 March 11-15, St. Joseph, Mo.
 March 19-27, Wichita, Kans.
 April 1-7, Englewood, Colo.
 April 12-19, Lincoln, Nebr.
 April 26-30, Cedar Rapids, Iowa.
 May 4-10, Duluth, Minn.
 May 13-17, Green Bay, Wisc.
 May 21-26, Rockford, Ill.
 June 25-4, Ft. Wayne, Ind.
 June 8-14, Chicago, Ill.
 June 17-20, Toledo, O.
 June 25-30, Rochester, N.Y.
 July 1-2, West Point, N.Y.
 August 18, Valley Forge, Pa.
 September 2-6, Bangor, Me.
 September 9-16, Portsmouth, N.H.
 September 18-25, Natick, Mass.
 September 28-October 3, Warwick, R.I.
 October 5-11, Armherst, Mass.
 October 13-18, Springfield, Mass.
 October 20-26, New Haven, Conn.
 October 27-30, Washington, D.C.
 November 5-11, Akron, O.
 November 15-21, Huntington, W. Va.
 November 25-30, Hagerstown, Md.

SHAPING THE ARMY'S FUTURE

February 22-26, High Point, N.C.
 February 29-March 3, Greensboro, N.C.
 March 13-17, Charlotte, N.C.
 March 21-23, Hillsboro, N.C.
 April 27-2, Harrisonburg, Va.
 April 5-7, Salisbury, Md.
 April 10-12, Altoona, Pa.

April 15-19, Reading, Pa.
 April 24-May 2, Pittsburgh, Pa.
 May 5, Chillicothe, O.
 May 9, Olean, N.Y.
 May 12, Toledo, O.
 May 16-19, Dansville, Ky.
 May 22-25, Lowell, Mass.
 May 28-30, Peabody, Mass.
 June 1-8, Natick, Mass.
 June 10-12, Manchester, Conn.
 June 15-21, White Plains, N.Y.
 June 24-July 1, Wakefield, Mass.
 July 23-27, Peoria, Ill.
 July 28-29, Juliet, Ill.
 August 1-5, Woodstock, Ill.
 August 8-11, Montevideo, Minn.
 August 19-25, Painesville, O.
 August 30-September 2, Chatham, N.Y.
 September 6-7, Cleveland, Tenn.
 September 9-14, Jackson, Tenn.
 September 21-29, Oklahoma City, Okla.
 October 3-6, Pensacola, Fla.
 October 11-20, Beaumont, Tex.
 October 24-29, Baton Rouge, La.
 November 1-3, Gainesville, Fla.

THE AIRMOBILE SOLDIER

March 15-21, Evansville, Ind.
 March 25-29, St. Louis, Mo.
 April 2-7, Cleveland, Tenn.
 April 10-17, Birmingham, Ala.
 April 20-21, Columbia, Tenn.
 April 25-28, La Porte, Ind.
 May 2-5, Ames, Iowa
 May 8-10, St. Joseph, Mo.
 May 13-18, Temple, Tex.
 May 24-31, New Orleans, La.
 June 3-7, Jacksonville, Fla.
 June 10-15, Pensacola, Fla.
 June 18-22, Keokuk, Iowa
 June 26-30, Dubuque, Iowa
 July 3-8, Mentor, O.
 July 12-14, Beaver Falls, Pa.
 July 19-27, Reading, Pa.
 July 30-31, Pittsburgh, Pa.
 August 4-10, Jackson, Mich.
 August 13-18, Michigan City, Ind.
 August 21, Kendallville, Ind.
 August 23-September 2, Detroit, Mich.
 September 5-10, McConnellsville, Mich.
 September 14-22, Trenton, N.J.
 September 25-27, Petersburg, Va.
 September 30-October 5, Charlotte, N.C.
 October 7-12, Greenwood, S.C.
 October 15-16, Raleigh, N.C.
 October 21-25, Philadelphia, Pa.
 October 27-November 5, McKeesport, Pa.
 November 13-14, Burlington, Vt.
 November 16, Chestnut Hill, Mass.
 December 1-6, Roanoke, Va.
 December 11-13, Macomb, Ill.

TODAY'S VISION—TOMORROW'S VICTORY

March 12-16, Biloxi, Miss.
 March 18-20, Baton Rouge, La.
 March 22-23, Lafayette, La.
 March 26-28, Baton Rouge, La.
 April 4-8, Albuquerque, N. Mex.
 April 13-17, Las Vegas, Nev.
 April 20-23, Bakersfield, Calif.
 April 26-27, San Luis Obispo, Calif.
 May 2-5, Venatchee, Wash.
 May 8-10, Salem, Oreg.
 May 13-18, Seattle, Wash.
 May 21-26, Lake Oswego, Oreg.
 June 1-7, Boise, Idaho.
 June 11-12, Salt Lake City, Utah.
 June 18-22, Richardson, Tex.
 June 26-28, Wichita, Kans.
 July 3-7, Greenfield, O.
 July 10-14, Dayton, O.
 July 16-21, Hillard, O.
 August 1-3, Bismarck, N.D.
 August 11, Sentinel Butte, N.D.
 August 14-18, Grand Rapids, Minn.
 August 23-September 2, St. Paul, Minn.
 September 5-8, St. Clairsville, O.
 September 12-14, Ellettsville, Ind.
 September 18-22, Ardmore, Okla.
 September 25-28, Liberty, Tex.
 October 1-6, Little Rock, Ark.
 October 9-16, Jackson, Tenn.
 October 19-20, Mobile, Ala.

October 29–November 3, Jacksonville, Fla.
November 7–8, Milledgeville, Ga.
November 11, Cleveland, Tenn.
November 14–19, Chattanooga, Tenn.
November 22–24, Athens, O.

U.S. ARMY AIRBORNE

March 18–26, Tulsa, Okla.
March 29–April 5, Oklahoma City, Okla.
April 11–12, Albuquerque, N.M.
April 16–25, Commerce, Calif.
May 3–4, Newport, Ore.
May 7–10, Tillamook, Ore.
May 13–18, Salem, Ore.
May 20–27, Tacoma, Wash.
May 31–June 9, Portland, Ore.
June 13–21, Stockton, Calif.
June 26–July 7, Delmar, Calif.

VIETNAM EXHIBIT

Sept. 9–13, Washington, D.C.
September 18–21, Richmond, Va.
September 25–28, Raleigh, N.C.
October 9–12, Augusta, Ga.
October 23–26, Jackson, Miss.
October 30–November 2, Biloxi, Miss.
November 6–9, Little Rock, Ark.
November 27–30, Fairmont, W. Va.

EXHIBIT SCHEDULES, JANUARY 1 TO JUNE 30, 1969

SHAPING THE ARMY'S FUTURE

January 8–11, Winston-Salem, N.C.
January 15–17, Charlotte, N.C.
January 24–February 2, West Palm Beach, Fla.

February 4–15, Tampa, Fla.
February 19–23, Kissimmee, Fla.
February 25–March 8, Orlando, Fla.
March 12–15, Wichita Falls, Texas.
March 17–26, Dallas, Texas.
March 31–April 6, Shreveport, La.
April 9–15, Miami, Fla. (Cancelled)
April 17–19, Owensboro, Ky.
April 21–23, Paducah, Ky.
April 24–26, Vicesennes, Ind.
April 28–30, Jasper, Ind.
May 1–14, in-house.
May 17, Columbia, S.C.
May 24–25, Bridgeton, N.J.
May 27–30, Sanford, N.C.
June 2–6, Baltimore, Md.
June 9–14, Philadelphia, Pa.
June 18–21, High Point, N.C.
June 23–25, Lexington, N.C.
June 27–30, Asheville, N.C.

TODAY'S VISION—TOMORROW'S VICTORY

January, in-house.
February 1–14, in-house.
February 17–19, Chattanooga, Tenn.
February 20–22, New Orleans, La.
February 26–March 9, San Antonio, Texas.
March 15–16, Yuma, Ariz.
March 19–23, Tucson, Ariz.
March 26–30, Yuma, Ariz.
April 3–7, Alamogordo, N.M.
April 10–12, Decatur, Texas.
April 16–22, Clarksdale, Miss.
April 26–29, Charleston, W. Va.
May 2–9, Fort Lee, Va.
May 14, Frederick, Md.
May 17, Huntington, W. Va.
May 22–24, Houghton, Mich.
May 26–June 10, in-house.
June 11–14, Hopewell, Va.
June 16–18, Petersburg, Va.
June 21–28, Greenville, S.C.

CHAPLAINS SHO-COACH

January 1–16, in-house.
January 18–25, Pulaski, Va.
January 28–February 1, Raleigh, N.C.
February 4–8, Columbia, S.C.
February 14, Charleston, W. Va.
February 17–21, Cambridge, Ohio.
February 25–March 1, Nashville, Tenn.
March 5–8, Chattanooga, Tenn.
March 10–15, Birmingham, Ala.
March 20–27, Kansas City, Mo.

April 1–2, Omaha, Nebr.
April 5–10, Sioux Falls, S.D.
April 14–18, Morehead, Minn.
April 21–26, Robindale, Minn.
May 1–3, Ames, Iowa.
May 5–10, Des Moines, Iowa.
May 13–17, Fort Leonard Wood, Mo.
May 22–24, Pineville, Ky.
May 28, Ironton, Ohio.
June 2–7, Thurmont, Md.
June 10–15, Uhrichsville, Ohio.
June 17–20, Canton, Ohio.
June 23–28, Middlesboro, Ky.

SERVING WITH PRIDE AND DIGNITY

January, in-house.
February 3–7, Pittsburgh, Pa.
February 10–15, Harrisburg, Pa.
February 17–21, Philadelphia, Pa.
February 26–28, Atlanta, Ga.
March 4–7, Tampa, Fla.
March 13–15, Lafayette, La.
March 18–26, Montgomery, Ala.
March 28–April 4, Jackson, Miss.
April 7–15, Birmingham, Ala.
April 18–24, Jacksonville, Fla.
April 28–30, Louisville, Ky.
May 5–16, Chicago, Ill.
May 20–23, Buffalo, N.Y.
May 26–29, Syracuse, N.Y.
June 3–10, New York, N.Y.
June 13–15, Wilmington, Del.
June 19–27, Petersburg, Va.

AIRMObILE SOLDIER

January 3–8, Rockford, Ill.
January 11–16, Columbus, Ohio.
January 20–26, Virginia Beach, Va.
January 29–31, Greensboro, N.C.
February 3–12, Clifton Heights, Pa.
February 13–22, Horsham, Pa.
February 25–28, Flint, Mich.
March 3–8, Ann Arbor, Mich.
March 10–15, Waukegan, Ill.
March 18–22, Eau Claire, Wis.
March 24–26, Grand Forks, N.D.
March 28–30, Kennedy, Minn.
April, in-house.

BASIC COMBAT TRAINING

January–April, in-house.
April 7–11, Pentagon Concourse.
April 12–19, in-house.
April 21–25, Newport News, Va.
April 28–May 4, Fayetteville, N.C.
May 12–15, St. Petersburg, Fla.
May 20–22, Gainesville, Fla.
May 26–June 6, Atlanta, Ga.
June 10–20, Macon, Ga.
June 23–27, Baltimore, Md.

CAPTURED COMMUNIST EQUIPMENT IN USE IN VIETNAM

January–February, in-house.
March 3–8, Harrisburg, Pa.
March 11–14, Bridgeport, Conn.
March 17–22, Baltimore, Md.
March 24–29, Richmond, Va.
April 3–10, Charlotte, N.C.
April 14–18, Atlanta, Ga.
April 22–25, Auburn, Ala.
April 29–30, Tallahassee, Fla.
May 5–9, Minden, La.
May 12–17, Temple, Tex.
May 20–27, El Paso, Tex.
June 2–5, Tucson, Ariz.
June 9–13, San Diego, Cal.
June 14–15, Pueblo, Colo.
June 19–21, Grand Junction, Colo.
June 25–30, Medford, Ore.

CHAPLAINS (INDOOR)

January, in-house.
February 1–13, in-house.
February 15–19, Dayton, Ohio.
February 22, Lafayette, Ind.
February 24–28, Columbus, Ohio.
March 4–8, West Point, N.Y.
March 12–15, Wilmington, N.C.
March 18–21, Charlotte, N.C.
March 25–28, Cleveland, Tenn.
April 2–5, Anniston, Ala.
April 8–10, New Orleans, La.
April 14–18, Tulsa, Okla.

April 21–25, Wichita, Kan.
April 28, May 4, Topeka, Kan.
May 7–9, Leavenworth, Kan.
May 11–19, Fort Riley, Kan.
May 22–23, St. Louis, Mo.
June 2–6, St. Louis, Mo.
June 9–20, Fort Benjamin Harrison, Ind.
June 22–26, Indianapolis, Ind.
June 29–July 5, Pittsburgh, Pa.

CAPTURED COMMUNIST EQUIPMENT NO. 2

January 2–22, Oklahoma City, Okla.
January 26–February 2, Fort Worth, Tex.
February 7–16, San Antonio, Tex.
February 18–25, Little Rock, Ark.
February 28–March 4, Kansas City, Mo.
March 7–9, Booneville, Mo.
March 12–15, Tupelo, Miss.
March 19–24, Cleveland, Tenn.
March 27–29, Greenville, S.C.
April 1–5, Raleigh, N.C.
April 8–10, Winston-Salem, N.C.
April 12–17, Pine Bluff, Ark.
April 19–20, Columbia, Tenn.
April 25–26, Philadelphia, Pa.
May 6–8, Murfreesboro, Tenn.
May 11–13, Milledgeville, Ga.
May 17–21, Columbus, Ohio.
May 21–29, Columbus, Ohio.
June 2–6, Erie, Pa.
June 10–14, Kenosha, Wis.
June 16–19, Brookfield, Wis.
June 21–22, Viroqua, Wis.
June 26–July 2, Waukegan, Ill.

HERITAGE OF FREEDOM

January 3–9, Evansville, Ind.
January 13–16, Owensboro, Ky.
January 20–23, Louisville, Ky.
January 27–30, Lexington, Ky.
February 4–6, Murfreesboro, Tenn.
February 8–April 12, in-house.
April 14–19, Greece, N.Y.
April 26–May 3, Mt. Pleasant, Mich.
May 8–11, Olean, N.Y.
May 13–14, Allentown, Pa.
May 17, New Cumberland, Pa.
May 22–26, Bloomington, Ill.
May 29–June 1, Charleston, Ill.
June 6–7, Manhattan, Kans.
June 12–14, Springville, Utah.
June 16–20, Salt Lake City, Utah.
June 24–28, Tacoma, Wash.
June 30–July 1, Seattle, Wash.

VIETNAM EXHIBIT

January 1–10, in-house.
January 13–15, Milledgeville, Ga.
January 20–25, Louisville, Ky.
January 28–February 8, Altoona, Pa.
February 10–12, Johnstown, Pa.
February 15–19, Moorstown, N.J.
February 24–28, Chicago, Ill.
March 3–5, Ripon, Wis.
March 7–11, Milwaukee, Wis.
March 24, Chicago, Ill.
March 27–30, in-house.
April 3–8, Rocky Mount, N.C.
April 10–13, Wilmington, N.C.
April 16–21, Montgomery, Ala.
April 24–28, New Orleans, La.
May 1–8, Topeka, Kan.
May 12–18, Overland Park, Kan.
May 21–25, Kansas City, Mo.
May 27–June 1, St. Joseph, Mo.
June 4–11, Omaha, Neb.
June 14–18, Fort Dodge, Iowa.
June 23–27, Burlington, Iowa.
June 30–July 5, Hammond, Ind.

MEDAL OF HONOR

January 4–8, Jacksonville, Fla.
January 10–22, Jacksonville, Fla.
January 26–February 1, West Palm Beach, Fla.
February 6–18, Miami, Fla.
February 21–27, Titusville, Fla.
March 1–5, Oklahoma City, Okla.
March 6–15, Oklahoma City, Okla.
March 18–23, St. Louis, Mo.
March 28–April 4, Michigan City, Ind.
April 7–12, University Park, Pa.
April 16–19, Columbus, Ohio.

* Tour canceled as of July 7, 1968.

April 25-26, Philadelphia, Pa.
 April 28-May 1, Reading, Pa.
 May 4, Chillicothe, Ohio.
 May 6-8, Harrisburg, Pa.
 May 10, Wayne, Pa.
 May 12-21, Camden, N.J.
 May 23-31, Morristown, N.J.
 June 4-8, Lima, Ohio.
 June 12-13, Cleveland, Tenn.
 June 16-19, Ozark, Ala.
 June 21-22, New Orleans, La.
 June 26-July 6, Cedar Rapids, Iowa.

Mr. FULBRIGHT. Mr. President, another semiannual report, dated 1 year earlier, noted the exhibits had been displayed in 34 States and more than 120 cities. It added:

A total of 508 minutes of television coverage was received along with well over 3,000 minutes on the radio and more than 4,000 column inches of news coverage in local newspapers.

A report, I would suggest, any public relations man would be happy to show his client.

Another aspect of the Army program with basic public relations impact is the Hometown News Center. With an annual budget—for the center—of \$565,000, this program supplies news or newsfilm supplied by field unit information officers about an individual soldier or group of soldiers to his hometown media. Though there can be no doubt these films and stories perform a morale service, they also by their nature—officers or enlisted men interviewing other members of their own units—are designed to promote the positive side of the Army's activities.

I ask unanimous consent to have printed at this point in the RECORD illustrative stories sent me by the Army that were carried through the hometown service as well as comments by those of the media using this material.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CIVIC ACTION

NHA TRANG, VIETNAM (AHTNC)—Big sister is much concerned as baby brother has a head sore examined by Army Specialist Six Richard L. Wallace, of El Paso, Tex., in a small village near Nha Trang, Vietnam.

Spec. Wallace, son of Mr. and Mrs. Dean Wallace, 2103 Otilia Drive, Utica, N.Y., is a senior field medical assistant in the 25th Medical Detachment of the 17th Combat Aviation Group. As part of the Army's Medical Civic Action Program (MEDCAP), the unit provides medical and dental care for two Vietnamese villages and a Montagnard refugee camp in its area.

Spec. Wallace entered the Army in 1964 and was stationed in Germany prior to arriving in Vietnam last March.

He is a graduate of Utica Free Academy and attended Utica College.

The specialist's wife, Shirley, lives at 9316 Vicksburg Drive, El Paso, Tex.

MEDAL OF HONOR

WASHINGTON, D.C. (AHTNC)—A "Green Beret" Special Forces soldier, who risked his life attempting to rescue a pilot from a burning helicopter in Vietnam, was presented the Medal of Honor in a ceremony at the White House, Washington, D.C., March 7.

Sergeant First Class Fred W. Zabitosky, a native of Trenton, N.J., received the nation's highest award from President Richard M. Nixon. Attending the ceremony were the sergeant's wife, Carrie; seven-year-old son Edward; and mother-in-law, Mrs. Stella Zabitosky, of Pembroke, N.C.

Sgt. Zabitosky, a communications instructor at the U.S. Army John F. Kennedy Center for Special Warfare, Ft. Bragg, N.C., was cited for conspicuous gallantry in action on Feb. 19, 1968. On that date he was serving as assistant team leader of a nine-man reconnaissance patrol that had become pinned down by an enemy ambush.

The patrol slowly maneuvered to a helicopter landing zone while Sgt. Zabitosky exposed himself to the hostile fire to provide encouragement and assistance for his comrades. During the fighting, he personally killed or wounded 10 or 12 enemy soldiers.

When two helicopters landed to extract the team, Sgt. Zabitosky was the last man to leave the area. Boarding the second aircraft, he continued to fire at the enemy troops.

As the sergeant's helicopter took off, it suddenly turned violently and threw him out to the ground. The crippled aircraft then plunged down in flames.

Although suffering several crushed ribs, Sgt. Zabitosky rushed to the ship and pulled the mortally wounded pilot out. Then went back to rescue more men, only to be driven off by the intense heat and exploding ammunition.

He returned to the pilot and carried him through a barrage of enemy fire to the other rescue ship which had landed nearby. He also guided the injured co-pilot of the crashed ship to safety.

Zabitosky, a Green Beret since 1963 and a veteran of nine years service, was on his third tour of duty in Vietnam when the incident occurred.

His other decorations include the Distinguished Service Cross for extraordinary heroism, a Bronze Star Medal for heroism and another Bronze Star for meritorious service, the Air Medal, two Army Commendation Medals, the Combat Infantryman's Badge, and the Vietnamese Gallantry Cross with Bronze Star.

Sgt. Zabitosky attended Trenton (N.J.) High School.

A brother, Michael R. Zabitosky, lives at 445 Tiller Avenue, Beachwood, N.J. Three sisters, Mrs. Colleen Archer, Linda Lee Zabitosky, and Sharon Zabitosky, live at 1588 Riverdrive Drive, Holly Hill, Fla.

The sergeant and his wife reside on the post at Ft. Bragg.

IDAHO COUNTY FREE PRESS,
 January 4, 1969.

COMMANDING OFFICER,
 U.S. Army Home Town News Center
 Kansas City, Mo.

DEAR SIR: I congratulate you and your organization on the fine job you are doing in keeping family and friends of men in the Army informed of their progress through your regular releases. I feel these small items are of great value and use all of them pertaining to men of this area.

Your regular Photo Feature is also well received although they sometimes fail to carry subjects of sufficient interest to warrant their use in our publication. Here I might make the point that we are receiving three copies of your Photo Feature. Realizing the cost incurred in preparation of these, I am sure you will want to check your mailing list and strike duplications.

While not aware of your method of selecting subjects for your Photo Feature, I would like to select one subject which, I assure you, would receive extensive use in Idaho.

The 116th Engineer Battalion (Combat), the only National Guard unit to be called to active duty and subsequently sent to Vietnam, is made up of young men from throughout Idaho. Company D contains some 100 men from this county alone.

In view of this unique situation I submit this as a request for a photo feature on the unit.

Information received regarding the 116th through normal channels is almost non-

existent. Most of our information is gleaned from letters sent to family and friends. Realizing that this information may often be incorrect or exaggerated, we are careful of its use.

There is a real need for such a story on this unit and any assistance you may offer in obtaining one would be greatly appreciated. May I suggest that, in the event such a story is made available, it carry a release date which falls on a Thursday. This would give weeklies an even break with the dailies.

RADIO STATION WRUN,
 Utica, N.Y., March 4, 1969.

ROBERT L. BECHDOLT, Jr.,
 LTC, Inf.,
 Commanding,
 U.S. Army Home Town News Center,
 Kansas City, Mo.

DEAR COLONEL BECHDOLT: It may be a little late, but I would like to respond to the Thanksgiving and Christmas messages from Army personnel away from home.

For the past two years, I have used the material with tremendous success. We put dramatic music behind the voice tracks and give it an introduction and closing. Depending upon the number of local soldiers available, we schedule them throughout the day, be it Thanksgiving or Christmas. Last Christmas, there were about ten area families that were alerted in advance to listen for their son at specific times. All of the cuts were repeated at least three times, and some as many as five times. "Military Greetings From Overseas" were scheduled twice an hour on WRUN. In addition to the warm words of praise from the families of the soldiers involved, we received many calls from families of other area soldiers of whom we had no tape. They, of course, were hoping to hear their son, too.

The only criticism I can think of is to say there were a couple of tapes that had to be edited because of long pauses or because the soldier made a mistake and repeated himself. I fully realize, however, that you have thousands of greetings to process and time is of the essence when the material is dated. I would rather receive the material and have to edit it myself than to get it late, but in perfect condition. The most important suggestion I can think of is to get the tapes to the stations at least a week or two before the day we are to air it. Last Christmas, we received it only two or three days before Christmas. In commercial radio, the Christmas period is perhaps the busiest time of the year, and we had to work quite late processing the messages in order to give it the air play it deserved.

Once again I say 'thank you'. We are always happy to use the greetings.

Sincerely,

ROBERT F. LUX,
 AM Program Director.

THE ARAB TRIBUNE,
 Arab, Ala.

U.S. ARMY HOME TOWN NEWS CENTER,
 Kansas City, Mo.

GENTLEMEN: We appreciate very much the news of servicemen we receive from your office, and we run a weekly column of articles concerning the men in our area who are serving with the Armed Forces.

However, due to limited space, we print only the items about men from this immediate community. We received the enclosed copy with pictures about men from distant states, and felt perhaps that it was sent to us by mistake. Since we usually receive only items about men from this vicinity, we decided to return the information.

If it should be that these men did at one time reside here and have requested the Tribune for their home town paper, we will be more than happy to use the items; but would like to know where their connection with our area is.

We have found that our Servicemen's column is read with wide interest, and many of our boys in Viet Nam receive the Tribune and write us. Please accept our thanks for your service, and our appreciation for the well written articles.

Yours truly,

MADELINE JACKSON,
Off. clerk.

U.S. ARMY HOME TOWN NEWS CENTER,
Kansas City, Mo.

Here is a home town release featuring a U.S. Army Soldier from your market area. If selected for broadcast, you may wish to notify the soldier's family. Afterwards, please offer them the material (a franked label is enclosed for mailing). Any comments you have on this release will help us improve service to you and your audience.

Name—SP4 Thomas R. East, Ref #: 88-8.
Unit address—20th Arty. 1st Inf. Div., Quan Loi, Vietnam.

Family listed—Mr. & Mrs. Thomas East (parents).

Address—Rt #1 Box 176, Seymour, Mo.
Telephone—468-3539.

Running time—0:55.

Aired (X)—Not aired () Comments: 16mm silent film.

Can use any clips like this of area men you send. Have had real good response from viewers.

Please send all clips to "KYTV news," Bill Avery, News Director, Station call letters KTVY-TV, Springfield, Mo.

Drop card in mail—no postage required.

U.S. ARMY HOME TOWN NEWS CENTER,
Kansas City, Mo.

RADIO STATION COMMENTS REPORT
(Fourth Quarter, FY 1969)

FIRST ARMY
(Fort Eustis)

KLIP, Fowler, Calif. "If you send tapes in Spanish such as above listed, they will get full coverage. 8 hours prime time is 8 hours Spanish. Please mail immediately to KLIP RADIO."

WEVE, Eveleth, Minn. "Aired, 1:35, April 30, 1969. Parents appreciate these. We were able to locate the parents and forwarded tape after airing same. Could we get these on a more regular basis?"

WGOL, Goldsboro, N.C. (100th Transportation Company). "Improve quality background . . . over rides announcer and interviewee."

KWAI, Weiser, Idaho (2nd School Battalion). "KWEI greatly appreciates receiving these tapes and the parents of the servicemen also enjoy having the tapes. We air them on our newscast devoted to local news."

WMAN, Mansfield, Ohio (2nd School Battalion). "WMAN airs all of these and gets excellent response from relatives."

WDSR, Lake City, Fla. (2nd School Battalion). "Aired, Feb. 24, 1969 at 12:15 PM and 6:10 PM and Feb. 25, 1969 at 8:15 AM. Parents heard all airings and were very pleased."

WPRS, Paris, Ill. (2nd School Battalion). "Wife notified . . . tape given to her . . . this is good public relations."

THIRD ARMY
(Fort Bragg)

WOBM (FM), Toms River, N.J. (U.S.A. Special Warfare School). "Used excerpts on newscasts . . . good interview . . . let Z speak for himself . . . good timing on release date."

FIFTH ARMY
(Fort Riley, Kans.)

KSDR Watertown, SD (R.O.T.C.). "Recording quality poor . . . content good."

KEYZ Williston, ND (R.O.T.C.). "Not bad. Could use a little more conversation about the cadet and his plans. And about his home state."

KOLY Mobridge, SD (R.O.T.C.). "Good local interest in these interviews. We broadcast each one received."

KTTR Rolla, Mo. (R.O.T.C.). "Very poor quality."

KASI Ames, Iowa (R.O.T.C.). "Very good interview . . . we appreciate receiving these." KLPN Minot, ND (R.O.T.C.). "Minot not in our area. Should go to Grand Forks."

KDSJ Deadwood, SD (R.O.T.C.). "Excellent tape. Good quality."

SIX ARMY

(Fort Ord, Calif.)

KNND Cottage Grove, Ore. "Keep them coming. The whole town listens when these are sent to us. We would like to receive more."

KNDK Langdon, ND. "Aired several times. Really appreciated by relatives. Good public relations for us. Keep them coming. We'll use them all."

GERMANY

WASH Washington, D.C. (3rd Infantry Division). "SP Pearson's style is excellent. His questions don't much tell our listeners when his job is important."

KHVV Honolulu, Hawaii (3rd Infantry Division). "Would appreciate much, much more of this. We are an all news station."

U.S. ARMY FORCES SOUTHERN COMMAND

(Fort Clayton)

WAFI Middlesboro, Ky. (20th Infantry, Canal Zone). "Excellent public affairs broadcast. We would like to get as many as possible. However, we prefer interviews to personal messages."

(Fort Kobbe)

WVCH Chester, Pa. (5th Infantry Battalion, Canal Zone). "Not enough lead . . . approximately 2 feet required; otherwise, the interview was of good quality. Parents notified and the tape was given to Mrs. C. upon her request. Thank you."

(Fort Clayton)

WTRR Westminster, Md. (20th Infantry, Canal Zone). "Tape mailed to the family. Family very appreciative. Our station enjoys giving pleasure to servicemen's families."

U.S. ARMY, PACIFIC
(Okinawa)

KUPD Tempe, Ariz. (29th Army Band). "Not received until Sat. 5-10. We need more time to properly notify relatives. Also, program using these tapes is broadcast only once weekly; so, we need them earlier if they are to be used."

(Korea)

KLEA Lovington, N. Mex. (7th Infantry Division). "This item aired several times in hourly newscasts . . . it is this station's policy to use voice reports in local newscasts, and we appreciate receiving them . . ."

WLFH Little Falls, N.Y. (7th Infantry Division). "We used this tape on Fri. (9th) & Sat. 10th and Sunday, Mother's Day! I informed the C. family first, then sent the original to them by mail. Would appreciate more of this type of tape if possible! Thanks again."

WAZL Hazleton, Pa. (7th Infantry Division). "The reaction . . . excellent! Keep up the good work and keep them coming; regardless of the holiday."

WASH Washington, D.C. (2nd Infantry Division). "Used to show that troops in Korea are working hard, too. Very good tape and good quality. Good questions by Sp. Sloan . . . sent tape to parents."

KOXR Oxnard, Calif. (2nd Infantry Division). "Ramirez & Padilla are Mexican Americans. I think it would sound good to say a short, 'Mello', in Spanish to the parents. Thanks."

JAPAN

KAYL Storm Lake, Iowa (Stratcom Signal Group). "This is wonderful for both the service boy and the recipient. We, the par-

ents, certainly do appreciate this thoughtfulness. We have only seen our son once in 2½ years. Thank you so much." (Comment sent to station from a grateful parent.)

VIETNAM

WAYN Rockingham, N.C. (9th Infantry Division). "The families of these servicemen have expressed appreciation for these tapes to: WAYN for broadcasting them and to the Army for providing them."

WKLM Wilmington, N.C. "Send us more!!! It helps our recruiter who gets our total cooperation . . . it helps the Army's image, too, I think."

WAYE Baltimore, Md. (Reliable Academy). "WAYE and Read's Drug Stores sent Mrs. C. a box of candy and told her it was on behalf of her husband."

WELO Tupelo, Miss. (9th Infantry Division). "Excellent service . . . we aired this twice and read a letter from the mother and wife, thanking us for airing it. Thank you."

WKKD Aurora, Ill. (4th Infantry Division). "Should be of longer duration, otherwise, good!"

WMAJ State College, Pa. (5th Infantry Division). "This station will use audio tracks of this type whenever possible."

WRMI-FM Morris, Ill. (9th Infantry Division). "Home folks thrilled to hear the greeting and want tape for a keepsake to have re-played again. This should be a great idea for birthdays, also."

WZOE Princeton, Ill. (U.S. Army Support Command). "Report was just great. It would help us smaller stations if you could put an open and close on the tape. Don't stop sending these fine reports from our guys just because of this."

WKLY Hartwell, Ga. (9th Infantry Division). "Was aired several times . . . much appreciated . . . bass response of tape was too high, otherwise, good quality."

WTOC Savannah, Ga. (9th Infantry Division). "I spent 9 months with the 1st Cav. doing the same thing so send all you can. You send them we will play them."

KSUB Cedar City, Utah (9th Infantry Division). "We feel this is a very fine service for service men and their families. Thank you."

WLAK Lakeland, Fla. (9th Infantry Division). "Appreciate packaging labels, etc. Marvelous idea. We could've used more of them. Quality could stand improvement . . . messages should remain brief but not quite so impersonal."

WAYE Baltimore, Md. (9th Infantry Division). "WAYE and Read's Drug Stores sent Mrs. B. a box of candy for Mother's Day. We told her it was on behalf of her son."

WLOI La Porte, Ind. (4th Infantry Division). "Aired on telephone talk program 'Sound-off' with parents notified ahead of time. Tape mailed to parents afterwards. Look forward to any other tapes of fellows from our area."

KASY Auburn, Wash. (1st Logistical Command). "Message was aired on Mother's Day and the mother was notified in advance. She was thrilled and KASY wishes to add our thanks to hers for a very fine service."

KBJM Lemmon, S.D. (9th Infantry Division). "I think these tapes are a great idea. The parents sure did appreciate this Mother's Day greeting and we enjoy cooperating in airing these. We'll be more than happy to put interviews on the air as they are available to us."

WASH Washington, D.C. (1st Signal Brigade). "Good comparison between arrival and a standard day in Vietnam."

WHLT Huntington, Ind. (9th Infantry Division). "Thank you for bringing a contact home from Vietnam."

WOAY Oak Hill, W. Va. (1st Logistical Command). "I heard my son on Mother's Day. It's beyond words to express how wonderful it made me feel. Please continue these for other mothers thru the years. It's a won-

derful idea. You have my compliments and sincere thanks."

WRUM Rumford, Maine (4th Infantry Division). "These tapes are drawing a good response from our listening audience. Please keep them coming!"

WCNU Crestview, Fla. (9th Infantry Division). "Thank you very much for the tape on our local army man."

KFH Wichita Kan. (9th Infantry Division). Very good. We appreciate these tapes. More talk about soldier's family, and less regarding their actual job would perhaps be more interesting to the general listener."

WFYC Alma, Mich. (4th Infantry Division). "Good quality, but interviewer has wrong pronunciation of Alma."

WAZL Hazelton, Pa. (II Field Force). "The parents were happy, his friends were happy and so are we. Can use any and all from our area over in Vietnam. Aired on 5 different newscasts over two days. Keep up the good work."

WCMB Harrisburg, Pa. (II Field Force). "A bit on the muddy side but legible. Have sent tape to family."

WFAD Middlebury, Vt. (U.S. Army, Vietnam). "This is an excellent service. We would appreciate getting more home town live interviews. This is the best public relations the army has and should be utilized more."

WTTN Watertown, Wisc. (25th Infantry Division). "Just a couple of words of thanks for the tape. It was great. PFC C's parents were most pleased. WTTN used the tape on all major newscasts throughout the day."

KRSC Othello, Wash. (25th Infantry Division). "Good report! But from technical aspect. The men are too close to microphone and record volume too heavy . . . tape badly distorted. Used anyway."

WNEA Newnan, Ga. (1st Logistical Command). "We run these several times a day in our record shows. We've had excellent response from our listeners. These interviews are very good."

WVOS Liberty, N.Y. (I Field Force). "Tape aired on 3 news shows with favorable comment from listeners. It was a good quality tape, with good editorial comment . . . and just the right length. Keep 'em coming. You're doing a fine job and it gives me pleasure to use this sort of thing. Tape given to family."

WRJH Racine, Wisc. (9th Infantry Division). "Fidelity very bad! Send more!"

WGBF Evansville, Ind. (1st Logistical Command). "Not aired because of people on vacation and time pressures peculiar to the time of receipt. Please include us for future mailings."

WNCO Ashland, Ohio (II Field Force). "We always use these tapes because of our large coverage area. It is such a delight for the families of the servicemen involved. This particular tape was of good quality and was lengthy enough to make a good report."

KMMJ Grand Island, Neb. (9th Infantry Division). "It's unfortunate that many of these tapes are of very poor quality, and some unsuitable for broadcast. Having had experience in the field with portable tape recorders (Korea '51), I'm sure that stricter quality control of the type of recorders used, and the techniques in recording and dubbing would improve this important service tremendously. I know through experience that this could be accomplished regardless of adverse conditions in the field."

KUNO Corpus Christi, Tex. (1st Logistical Command). "KUNO is a full time Spanish station. When recording, perhaps the soldier would be willing to make part of the tape in Spanish—I realize this poses a problem since tapes are recorded for all stations, but it might be worth giving it a thought."

WOMP Bellaire, Ohio (9th Infantry Division). "This was especially good, since this soldier is one of four that a Congressman is attempting to get out of the combat zone in Vietnam."

KAYT Rupert, Idaho (9th Infantry Division). "Very poor broadcast quality . . . bassy sound. Would appreciate getting more on the spot reports such as this."

WDAE Tampa, Fla. (II Field Force). "Too long for our purposes, but we, as usual, were happy to forward to the mother for her use."

WMVO Mount Vernon, Ohio (II Field Force). "We did cut a small cut from this tape, but it was too long for our interviews! Excellent interview . . . wish we had time to use it."

WLMD Laurel, Md. (9th Infantry Division). "Quality not airable; very hard to understand . . . glad to use them when airable."

WORG Orangeburg, S.C. (II Field Force). "Thanks for the tape. Prefer interview type tapes, unless you have a series of voices of hometown men offering greetings, rather than just one."

WASH Washington, D.C. (25th Infantry Division). "It is obvious that the interviewer is reading the questions. Destroys the value of the tape."

WASH Washington, D.C. (I Field Force). "People don't know what IFVV is. 'What was your first reaction to Vietnam?' is getting to be an old question. I used it when I was 71R over there in 1967. SP L's other questions were good."

FIRST ARMY (Fort Eustis, Va.)

KEYC Mankato, Minn. "Your cooperation is much appreciated in furnishing both the film clips and the phone numbers of relatives. We make it a point to contact them prior to use. Thank You!"

FOURTH ARMY (Fort Sam Houston, Tex.)

WKZO Kalamazoo, Mich. "Films have good audience appeal. This time had three films all from Fort Sam—was able to edit them together to make one 41-second film covering three men from our area—most advantageous . . . If you could arrange to send films of our area men in groups, it would be helpful."

U.S. ARMY ALASKA (Fort Richardson)

WFGA Jacksonville, Fla. "Better than most 'home towners' because film team went on location to show soldier doing something."

KMJ Hollywood, Calif. "We seldom can use silent film. I forwarded the film to Mr. M., father."

WROC Rochester, N.Y. "Appreciated film. Notified family in advance. Used as special feature segment of 6 p.m. news."

VIETNAM

WSAV Savannah, Ga. (1st Signal Brigade). "No hard news value."

KBLU Yuma, Ariz. (IV Corps, Vietnam). "Very good—Thanks."

WHAS Louisville, Ky. (U.S. Army, Vietnam). "Sent to wife."

WTVY Dothan, Ala. (U.S. Army, Vietnam). "How about some films of area men getting some type of service award, Purple Heart, etc."

KVCR San Bernardino, Calif. (9th Infantry Division). "We aired the night of 5/16/69 on our evening newscast. Please forward any other local material to us."

WTVN Columbus, Ohio (9th Infantry Division). "No place for the film. Hope to have spots in the future, however."

Mr. FULBRIGHT. Mr. President, I would point out that the material dealing with Vietnam understandably presents only the positive side of our presence—a situation not completely consistent with today's newspaper reporting from that country.

Operation Understanding is a program sponsored by the Army Air Defense Command. It consists of the Army flying groups of civilians to tour air defense

facilities, such as the NORAD underground combat operations center at Colorado Springs, Colo., or the Command Center at Fort Bliss, Tex. Let me read a description of this program from the December 1967 Department of the Army semiannual community relations report:

Operation Understanding: ARADCOM (Army Air Defense Command) continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operation of ARADCOM units. During one of the reporting quarters, approximately 500 Operation Understanding visitors representing industry, county and state governments, educational institutions and the professions visited the U.S. Army Air Defense Command Center at Fort Bliss, Texas. Visitors were briefed on the missions and activities of the center and witnessed scheduled missile firings.

If the ultimate purpose of this operation is lost on anyone in this body, let me read this one additional comment from an earlier Army community relations report:

One group from Ohio reported after their tour "Operation Understanding was educational and thought provoking . . . an outstanding performance . . . we entreat the support of the Congress of the United States on behalf of the U.S. Army Air Defense."

I ask unanimous consent to have printed in the RECORD a list supplied me by the Army of Operation Understanding trips and participants from January 1968 through June 1969.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

FEBRUARY 13, 1968.
Memorandum for: Assistant Secretary of Defense (Public Affairs).
Attn: Chief, Media Accreditation and Tours.
Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD-PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of January.

Col. W. H. APPEGATE,
Chief, Policy and Plans Divisions,
(For the Chief of Public Information).

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Section, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership; and purpose]

16-20 Jan 68, Nebraska, to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C-54 (ANG), Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS,
Information Officer.

NEBRASKA OPERATION UNDERSTANDING, JANUARY 18-20, 1968

1. Mr. Jack Anderson, Jack Anderson Film Productions, Omaha, Nebraska.

2. Mr. J. R. Campbell, Post Commander, American Legion Post No. 3, Lincoln, Nebraska.

3. Mr. Gary Carpenter, General Manager, Terry Carpenter, Inc., Scottsbluff, Nebraska.

4. . . .

5. Mr. Loran Cottrell, Post Adjutant, American Legion Post No. 3, Lincoln, Nebraska.

6. Senator Donald Elrod, Nebraska Legislature, Grand Island, Nebraska.

7. Senator Richard Ely, Nebraska Legislature, Guide Rock, Nebraska.

8. Mr. Eugene Frese, Administrative Assistant to Mayor of Omaha, Omaha, Nebraska.

9. Mr. Richard Goeglein, Science Teacher, Aerospace Education, Lincoln, Nebraska.

10. Dean Henry H. Grether, College of Law, University of Nebraska, Lincoln, Nebraska.

11. Mr. Neal Hafemeister, Social Studies Consultant for the Public Schools, Lincoln, Nebraska.

12. Senator C. W. Holmquist, Nebraska Legislature, Oakland, Nebraska.

13. Mr. John Jacobson, Department of Administrative Services, Lincoln, Nebraska.

14. Mr. James R. Jones, Attorney, Lincoln, Nebraska.

15. Senator John E. Knight, Nebraska Legislature, Lincoln, Nebraska.

16. Senator Rudolf Kokes, Nebraska Legislature, Ord, Nebraska.

17. Colonel James E. Kruger, Superintendent, Nebraska State Patrol, Lincoln, Nebraska.

18. Mr. Harold D. Lantz, Principal of Pound Junior High School, Lincoln, Nebraska.

19. Senator Roland A. Luedtke, Nebraska Legislature, Lincoln, Nebraska.

20. Senator Harold T. Moylan, Nebraska Legislature, Omaha, Nebraska.

21. Mr. Earl Nelson, Owner, Aurora Telephone Company, Lincoln, Nebraska.

22. Mr. Frederick Art Reed, Vice President, Latsch Brothers, Inc., Lincoln, Nebraska.

23. Mr. Ralph Reed (Colonel, USAFR), Agriculture, Lincoln, Nebraska.

24. Mr. George Round, Director, Public Relations for University of Nebraska, Lincoln, Nebraska.

25. Senator Arnold Ruhnke, Nebraska Legislature, Plymouth, Nebraska.

26. Mr. John Scott, Realtor, Lincoln, Nebraska.

27. Mr. Roy A. Sheaff, General Manager, Umbergers Mortuary, Inc., Lincoln, Nebraska.

28. Senator Harold D. Simpson, Nebraska Legislature, Lincoln, Nebraska.

29. Judge Harry A. Spencer, Nebraska Supreme Court Justice, Lincoln, Nebraska.

30. Senator David Tews, Attorney, Lincoln, Nebraska.

31. Mr. Denny Thomas, Jack Anderson Film Productions, Omaha, Nebraska.

32. Senator Elmer Walliway, Nebraska Legislature, Emerson, Nebraska.

33. Major General Lyle A. Welch, The Adjutant General, Lincoln, Nebraska.

34. Senator Ramey C. Whitney, Nebraska Legislature, Chappell, Nebraska.

ESCORTS

1. Colonel Edward C. Binder, State Maintenance Officer, Nebraska Army National Guard, Senior Escort.

2. Major T. C. Knoell, Operations and Training Officer, Nebraska Army National Guard, Assistant Escort.

3. Major Robert Geiger, Logistical Staff Officer, Hq. 2d Region, ARADCOM Escort.

4. Captain William E. Whitney, RADES Maintenance Officer, Nebraska Army National Guard, Assistant Escort.

MARCH 22, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Attn: Chief, Media Accreditation and Tours.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD-PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of February.

Col. W. H. APPELEGATE,
Chief, Policy & Plans Division
(For the Chief of Public Information).

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

1-3 Feb 68, New Jersey to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C-131, Operation Understanding.

8-10 Feb 68, Wisconsin to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C-131, Operating Understanding.

29 Feb-2 Mar 68, Alabama to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, C-131, Operation Understanding.

29 Feb-2 Mar 68, Illinois to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, T-29, Operation Understanding.

Col. BENJAMIN A. SPILLER,
Information Officer.

NEW JERSEY OPERATION UNDERSTANDING, FEBRUARY 1-3, 1968

1. Mrs. Dagny A. Ahrens, President & Treasurer, Robvon Backing Ring Company, Scotch Plains, New Jersey.

2. Mrs. Adelaide P. Avella, Wife of Director, Selective Service of New Jersey, Trenton, New Jersey.

3. Mrs. Lucille H. Burkhardt, Wife of Secretary, State of New Jersey, Trenton, New Jersey.

4. Mrs. Judith P. Cooper, Wife of Commissioner, Brunswick, New Jersey, Brunswick, New Jersey.

5. Mrs. Bessie Doty, Broker-Realtor, Triple E Realty Company, Baskell, New Jersey.

6. Mrs. Harriet R. Doyle, Personnel Manager, Associate-Dental Operations, Orange, New Jersey.

7. Mrs. Elizabeth Fisher, Department President, Legion Auxillary of New Jersey, Flemington, New Jersey.

8. Mrs. Margaret S. Goheen, Wife of the President, Princeton University, Princeton, New Jersey.

9. Miss Anna L. Hagstrom, Postmistress, U.S. Post Office, Wanaque, New Jersey.

10. Mrs. Marlene V. Howard, Wife of U.S. Congressman, Spring Lake, New Jersey.

11. Mrs. Doris R. Hunt, Wife of U.S. Congressman, Pitman, New Jersey.

12. Mrs. Josephine M. Johnson, President, Welton V. Johnson Engineering Company, Inc., Summit, New Jersey.

13. Mrs. Susanne A. Madden, National Executive Committeewomen, American Legion Auxillary, Woodbury, New Jersey.

14. Miss Emma C. McGall, Partner, Law Firm of Beard & McGall, Westfield, New Jersey.

15. Mrs. Peggy K. McNeil, President, Trenton Times Newspapers, Lawrenceville, New Jersey.

16. Mrs. Betty W. Menard, Library Technical Assistant, Ewing Township Board of Education, Trenton, New Jersey.

17. Mrs. Theresa V. Minish, Wife of U.S. Congressman, West Orange, New Jersey.

18. Mrs. Mary R. Nevius, Wife, Vice President of Nevius-Voorhees, Flemington, New Jersey.

19. Mrs. Florence C. Niemiec, President, Ladies Auxillary, Veterans of Foreign Wars, Department of New Jersey, Somerville, New Jersey.

20. Mrs. Anna Q. Patten, Wife of U.S. Congressman, Perth Amboy, New Jersey.

21. Mrs. Anne Patterson, President, New Jersey Nurses' Association, Wayne, New Jersey.

22. Mrs. Jean E. Perkins, Wife of Professor & Chairman, Department of Aerospace and Mechanical Sciences, Princeton University, Princeton, New Jersey.

23. Mrs. Marianna H. Rodino, Wife of U.S. Congressman, Newark, New Jersey.

24. Mrs. Irene G. Roman, Director of Cus-

tomers Relations, Wheeling Warehouses, Westfield, New Jersey.

25. Mrs. Lillian M. Schwartz, Secretary-Assistant Treasurer, New Jersey Turnpike Authority, Highland Park, New Jersey.

26. Mrs. Joan B. Scott, Vice President, Scott Printing Company, Jersey City, New Jersey.

27. Mrs. Patricia Q. Sheehan, Mayor, City of New Brunswick, New Brunswick, New Jersey.

28. Mrs. Anne M. Thomas, Secretary, Hunterdon County Democrat, Inc. and Woman's Page Editor, Hunterdon County Democrat, Inc., Flemington, New Jersey.

29. Mrs. Evelina V. M. Thompson, Wife of U.S. Congressman, Trenton, New Jersey.

30. Mrs. Mary R. Towers, Assistant Personnel Director, Wheeling Transportation, Inc., Orange, New Jersey.

32. Miss Dorothea H. Wingert, President, New Jersey Daily Newspaper Women, Inc., Atlantic Highlands, New Jersey.

ESCORTS

1. Major General James F. Cantwell, Chief of Staff, Department of Defense, State of New Jersey, HHD, New Jersey Army National Guard, Trenton, New Jersey, Escort.

2. Colonel Raymond J. Hill, State Air Defense Officer, HHD, New Jersey Army National Guard, Trenton, New Jersey, Assistant Escort.

3. Major Robert K. Krosen, Information Officer, Department of Defense, Trenton, New Jersey, Assistant Escort.

4. Captain Virginia I. Estes, Information Office, Headquarters, 1st Region, ARADCOM, Stewart Air Force Base, New York, ARADCOM Escort.

5. CWO W-2 William H. Stephens, Administrative Assistant to the Director of Personnel, Department of Defense, State of New Jersey, HHD, New Jersey Army National Guard, Trenton, New Jersey, Assistant Escort.

WISCONSIN OPERATION UNDERSTANDING, FEBRUARY 8-10, 1968

1. Dr. George R. Bailing, Assistant Superintendent for Federal and State Relations, Chicago Public Schools, Chicago, Illinois.

2. Mr. Bruce Bishop, Administrator, Division of Civil Defense and Disaster Control, Madison, Wisconsin.

3. Mr. Steve Boyle, Executive Office, State Capitol, Madison, Wisconsin.

4. Mr. Nickolas Braun, Director, Racine County Civil Defense, Racine, Wisconsin.

5. Mr. Robert Brigham, Attorney, Madison, Wisconsin.

6. Mr. Roger Debenham, Manager, Industrial Relations, Gisholt Machine Company, Madison, Wisconsin.

7. Mr. Milo Flaten, Attorney, Madison, Wisconsin.

8. Mr. James Gruentzel, Deputy Administrator, Division of Civil Defense and Disaster Control, Madison, Wisconsin.

9. Mr. Marshall Hughes, Industrialist, Eau Claire, Wisconsin.

10. Dr. Herman F. Karreman, Professor, Mathematics Research, University of Wisconsin, Madison, Wisconsin.

11. Mr. Harold W. Meyer, State Patrol Civil Defense Coordinator, Madison, Wisconsin.

12. Mr. Bruce Mitchell, Assistant to Director, Museum of Science and Industry, Chicago, Illinois.

13. Mr. Arthur Padrutt, Chairman, Public Service Commission, Madison, Wisconsin.

14. Honorable Robert Rand, Mayor of Manitowoc, Manitowoc, Wisconsin.

15. Mr. Robert Rennebohm, Executive Director, University of Wisconsin Foundation, Madison, Wisconsin.

16. Dr. Douglas S. Ritchie, Superintendent of Schools, Madison, Wisconsin.

17. Mr. Norvel Rollins, Chief of Police Communications, Madison, Wisconsin.

18. Professor Cley Shoenfeld, Professor, Wildlife Ecology and Journalism, University of Wisconsin, Madison, Wisconsin.

19. Mr. James Welsh, District Commercial Manager, Wisconsin Telephone Company, Madison, Wisconsin.

ESCORTS

1. Colonel Gordon A. Moon II, Information Officer, Fifth U.S. Army, Fort Sheridan, Illinois, Escort.

2. Colonel John R. McLean, Professor of Military Science, University of Wisconsin, Assistant Escort.

ALABAMA OPERATION UNDERSTANDING, FEBRUARY 29-MARCH 2, 1968

1. Mr. Agnes W. Baggett, State Treasurer, Alabama, Montgomery, Alabama.

2. Mrs. Myra B. Bailey, Dean of Women, Huntingdon College, Montgomery, Alabama.

3. Mrs. Idelle S. Brooks, Women's News Director, WCOV TV, Montgomery, Alabama.

4. Mrs. Elizabeth R. Broxton, President, Wetumpka Business & Professional Women, Wetumpka, Alabama.

5. Miss Katharine C. Cater, Dean of Women, Auburn University, Auburn, Alabama.

6. Miss Bethel Fite, Director, Department of Library Extension & Program Services, University of Alabama, Tuscaloosa, Alabama.

7. Mrs. W. Harry Isbell (Evelyn), President, Montgomery Federation of Garden Clubs, Inc., Montgomery, Alabama.

8. Mrs. Clarence Kennedy (Marjorie), Wife of Chief of Staff, 5th Region, ARADCOM, Montgomery, Alabama.

9. Mrs. Susan C. Lott, Women's Academic Counselor, University of Alabama, Tuscaloosa, Alabama.

10. Mrs. Agnes Mills, Immediate Past President, Alabama Federation of Business and Professional Women, Montgomery, Alabama.

11. Mrs. Margaret Murrell, President, Service League of Prattville, Prattville, Alabama.

12. Miss Margaret R. Sturgis, Member, National Legislative Committee, American Association of University Women, Montgomery, Alabama.

13. Mrs. Nancy L. Thomas, Information Office, 5th Region, ARADCOM, Montgomery, Alabama.

14. Mrs. Laura Watts, Past President, Alabama Federation of Business and Professional Women, Montgomery, Alabama.

15. Mrs. Janice G. Whorton, Administrative Assistant, Montgomery Area Chamber of Commerce, Montgomery, Alabama.

16. Mrs. Joy R. Williams, Reporter, Women's Department, The Birmingham News, Birmingham, Alabama.

17. Mrs. Paul B. Wolff (Grace), Wife of Deputy Commander, 5th Region, ARADCOM Montgomery, Alabama.

ESCORTS

1. LTC Iona S. Connolly, Third Army WAC Staff Advisor, Fort McPherson, Georgia, Escort.

2. Captain Mildred M. Christian, Acting Assistant Adjutant General, 5th Region, ARADCOM, Gunter Air Force Base, Alabama, Assistant Escort.

CHICAGO-MILWAUKEE DEFENSE OPERATION UNDERSTANDING, FEBRUARY 29-MARCH 2, 1968

1. Mr. Jack Azcona, Civil Defense Director, City of Gary, Gary, Indiana.

2. Mr. James Campbell, Zone Service Manager, Chevrolet Division, General Motors, Milwaukee, Wisconsin.

3. Mr. Ray F. Greving, Vice President, Federal Sign & Signal Corporation, Chicago, Illinois.

4. Mr. John T. Janszen, Chairman of the Board, Arlington Heights Chamber of Commerce, Arlington Heights, Illinois.

5. Mr. Edward Keegan, President, Arlington Heights Chamber of Commerce, Arlington Heights, Illinois.

6. Mr. Douglas Madden, Engineer, American Telephone & Telegraph Company, Chicago, Illinois.

7. Mr. Claude J. Robinson, Vice President, Safety Steel Products, Milwaukee, Wisconsin.

8. Mr. William Ruby, President, Ruby Chevrolet, Milwaukee, Wisconsin.

9. Honorable Raymond L. Termunde, Village President, Village of Alsip, Alsip, Illinois.

10. Honorable Lilburn J. Titus, Mayor, City of Hobart, Hobart, Indiana.

11. Mr. Dan D. Vaughn, President, Valparaiso Chamber of Commerce, Valparaiso, Indiana.

12. Mr. Curtis Volkamer, Chief Fire Marshal, Chicago Fire Department Training Academy, Chicago, Illinois.

ESCORTS

1. Colonel William E. Holmes, Commanding Officer, 45th Artillery Brigade (Air Defense), Arlington Heights, Illinois, Escort.

2. 2d Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade (Air Defense), Arlington Heights, Illinois, Assistant Escort.

AMCIN-CR (16 Apr. 68) 1st Ind.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

HQ, U.S. Army Materiel Command, Washington, D.C. 20315, 19 April 1968.

To: Chief of Information, Department of the Army, ATTN: Chief, P&P Div., Washington, D.C. 20310.

Forwarded in compliance with paragraph 27(b), AR 360-5.

For the Commander:

WILLIAM H. MESSENGER,
Chief, Community Relations
Information Office.

DEPARTMENT OF THE ARMY, RED RIVER ARMY DEPOT, Tezarkana, Tex., April 16, 1968.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS, CINFO-25).

To: Commanding General, U.S. Army Materiel Command, Attn: AMCIN, Washington, D.C. 20315.

Reference paragraph 27(b), AR 360-5, use of military transportation for nonlocal travel to Colorado Springs, Colorado, for community relations purposes was scheduled as follows during the month of April:

a. Trip date: 11-13 Apr 68

b. Origin: Texarkana, Arkansas

c. Destination: U.S. Army Air Defense Command, Colorado Springs, Colo.

d. Name and occupation of individuals invited and affiliations:

(1) Honorable Joe J. Fisher, U.S. District Judge, Eastern District of Texas, Beaumont, Texas.

(2) Honorable George Rozzell, Mayor of the City of Wake Village, Wake Village, Texas.

(3) Honorable T. C. Chadick, Chief Justice, Court of Civil Appeals, Sixth District, Texarkana, Texas.

(4) Dr. Frank King, realtor, Texarkana, Texas.

(5) Mr. Connor W. Patman, Attorney, Texarkana, Texas.

(6) Mr. Guy Jones, Attorney, Texarkana, Texas.

(7) Mr. W. N. Harkness, Attorney, Texarkana, Texas.

(8) Mr. Sidney Lee, Attorney, Texarkana, Texas.

(9) Mr. Dick Gates, Administrator, Titus County Memorial Hospital, Mt. Pleasant, Texas.

(10) Mr. Roy W. Davis, Realtor, Texarkana, Texas.

(11) Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Tex.-Ark.

(12) Mr. Bill Bryan, Assistant Cashier, State First National Bank, Texarkana, Ark.

(13) Mr. Wilver E. Drummond, Owner, Ragland Cigar Company, Texarkana, Texas.

(14) Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.

(15) Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.

(16) Mr. Albert F. Rehkopf, Owner, Rehkopf Foodland, Wake Village, Tex.

(17) Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.

(18) Mr. Trumand Arnold, Wholesale Distributor, Conoco Petroleum Products, Texarkana, Texas.

(19) Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

(20) Mr. James R. Hubbard, Attorney, Texarkana, Texas.

e. Type of carrier and service ownership: C-47 (Army).

f. Purpose: "Operation Understanding" tour to U.S. Army Air Defense Command Headquarters and North American Air Defense Command facilities, located at Colorado Springs, Colorado.

For the Commander:

B. J. BREWER,
Information Officer.

April 23, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Attn: Chief, Media Accreditation and Tours.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes; Reports Control No. DD-PA (M) 591.

In accordance with the Department of Defense Instruction No. 5435.2, dated December 13, 1963, the attached reports are submitted for the month of March.

For the Chief of Public Information:

April 3, 1968.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

1. Reference AR 360-5, Change 1, dated 12 March 1964, subject as above.

2. Major R. William Dunne and Captain John C. Hodge, requesting officers, for the U.S. Army R.O.T.C. Instructor Group, Eastern Kentucky University, Richmond, Kentucky, utilized the following vehicles to transport material and cadets:

(Equipment, origin, destination, and date)

Truck 2½ ton, Richmond, Ky to Richmond, Ky., 1 Mar 68.

Truck 2½ ton, Richmond, Ky., to Berea, Ky., 9-10 Mar 68.

Buses (2), Richmond, Ky., to Morehead Ky., 10 Mar 68.

Buses (2), Richmond, Ky., to Wright-Patterson AFB, Ohio, 22-24 Mar 68.

3. Major Claude H. Warren, requesting officer, for the U.S. Army R.O.T.C. Instructor Group, University of Kentucky, Lexington, Kentucky, utilized the following vehicle to transport cadets:

(Equipment, origin, destination, and date)

Carryalls (2), Lexington, Ky, to Lexington, Ky., 6-7 Mar 68.

4. Mr. Ralph E. Murrell, requesting officer, for the U.S. Army Reserve Area Supply Office, Lexington, Kentucky, utilized the following vehicle to transport TOE equipment:

(Equipment, origin, destination, and date)

Truck 2½ ton, Lexington, Ky., to Columbus, Kent, and Toledo, Ohio, 18-20 Mar 68.

For the Commander:

MARVIN W. LASSEN,
Major, SigC
Director for Administration.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: Hq ARADCOM, Information Office, Ent AFB, Colo.

(Trip date, origin, destination, type individual, type carrier and ownership)

7-9 Mar 68, Connecticut to Fort Bliss, Tex., White Sands, N.M. Ent AFB, Colo., Incl 1, C-54 (ANG).

14-16 Mar 68, New York to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 2, C-97 (ANG).

21-23 Mar 68, Ohio to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 3, C-54 (ANG).

21-23 Mar 68, Missouri to Fort Bliss, Tex., White Sands, N.M., Ent AFB, Colo., Incl 4, C-97 (ANG).

BENJAMIN A. SPILLER,
Colonel, GS
Information Officer.

CONNECTICUT OPERATION UNDERSTANDING, MARCH 7-9, 1968

1. Mrs. Virginia R. Acker, Member, Eastern Star, West Hartford, Connecticut.
2. Mrs. Muriel J. Byrne, Secretary with United Aircraft Corporation, Middletown, Connecticut.
3. Mrs. Elizabeth M. Colton, Member, Avery Heights Homeowners Association, Wapping, Connecticut.
4. Mrs. Hannah B. DeSio, Member, Norwich City Club, Norwich, Connecticut.
5. Mrs. Geraldine F. Ellis, Chairman, Cancer Crusade for Devon, Devon, Connecticut.
6. Mrs. Judith L. Finch, Secretary-Treasurer, Rose Garden Club of Monroe, Devon, Connecticut.
7. Mrs. Irene M. Fournier, Member, General Electric Employees Association of Middletown, Middletown, Connecticut.
8. Mrs. Anne K. Geormine, Secretary, Ladies Circle Club of Ansonia, Ansonia, Connecticut.
9. Mrs. Amelia K. Guerini, Bridgeport, Connecticut.
10. Mrs. Margaret E. Johnson, Member, National Education Association, Wapping, Connecticut.
11. Mrs. Patricia A. Karvelis, Chairman, Ladies Auxiliary Manchester Chamber of Commerce, Manchester, Connecticut.
12. Mrs. Florence B. Levesque, New Britain, Connecticut.
13. Mrs. Bonnie A. Manning, Secretary, Arts & Crafts Club of Stratford, Stratford, Connecticut.
14. Mrs. Joan K. Picard, Member, Ansonia Parent-Teachers' Association, Ansonia, Connecticut.
15. Mrs. Albertine Picard, Representative, Emhart Corporation, New Britain, Connecticut.
16. Mrs. Ruth C. Poulin, Committee Member, Community Chest Fund Drive of Cromwell, Meriden, Connecticut.
17. Mrs. Joan E. Reidenbach, Member, Parent-Teachers' Association, Bridgeport, Connecticut.
18. Mrs. Margaret A. Reidenbach, Project Officer, Beautification of Ferndale, Bridgeport, Connecticut.
19. Mrs. Elza D. Richardson, Member, Parent-Teachers' Association, Gildersleeve School System, Portland, Connecticut.
20. Mrs. Florence D. Rioux, Member, American Legion Auxiliary, Forestville, Connecticut.
21. Mrs. Deborah M. Rogers, Secretary, Nursing Auxiliary of Ansonia, Ansonia, Connecticut.
22. Mrs. Hannelore A. Seely, Representative, Hartford National Bank, Hartford, Connecticut.
23. Mrs. Lucille E. Sterbach, Member, Parent-Teachers' Association, Stratford, Connecticut.
24. Mrs. Barbara J. Swinson, Member, Ladies Circle Club, Ansonia, Connecticut.
25. Mrs. Ann Y. Velleux, East Hartford, Connecticut.
26. Mrs. Robina B. Werner, Treasurer, DAR of Derby, Connecticut, Ansonia, Connecticut.
27. Mrs. Margaret D. Wing, Chairman, Heart Fund Association, Portland, Connecticut.

ESCORTS

1. Colonel Paul J. DeSio, Air Defense Officer, State of Connecticut, HHD CONNARNG, Hartford, Conn., Escort.
2. Captain Virginia L. Estes, Information Office, Hq, 1st Region, ARADCOM, Stewart Air Force Base, New York, Assistant Escort.
3. WO W-1 Martin J. Rioux, Administrative Assistant to State Air Defense Officer, Military Department, State of Connecticut, HHD, CONNARNG, Hartford, Conn., Assistant Escort.
4. Mr. Joseph P. Tierney, Public Relations Officer, Military Department, State of Connecticut, Assistant Escort.

NEW YORK ARMY NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 14-16, 1968

1. Brigadier General John C. Baker, Vice Chief of Staff to the Governor, Albany, New York.
2. Mr. Norman R. Baker, Editor and Vice President, The Journal News, Nyack, New York.
3. Mr. William J. Beuler, Engineering Manager, Graham Manufacturing Company, Batavia, New York.
4. Mr. Roswell E. Brett, Office of General Services, Albany, New York.
5. Mr. William F. Brown, Jr., President and Manager, Radio Station WBTA, Batavia, New York.
6. Mr. Thomas Castelli, Director of Occupational Education, Rockland County Center of Occupational Education, West Nyack, New York.
7. Mr. Eugene P. Devine, Attorney and Albany County Treasurer, Albany, New York.
8. Mr. Raymond P. Griffin (Capt USAR), Supervisor, Town of Grand Island, Grand Island, New York.
9. Mr. Harold K. Grune, Attorney, Stony Point, New York.
10. Mr. Donald J. Guiry, Investigator, New York State Police Department, Albany, New York.
11. Mr. Douglas A. Haefner, Vice President, Tinker National Bank, Rocky Point, New York.
12. Mr. Roger C. Hipp, Manager of Manufacturing, Remington Rand Division, Sperry Rand Corporation, Tonawanda, New York.
13. Mr. Eugene Johnson, President, Applied Design Company, Inc., Kenmore, New York.
14. Mr. Owen Kaufman, Assistant Supervisor, Town of Babylon, Lindenhurst, Long Island, New York.
15. Mr. Stanley J. Keysa, Attorney, Lancaster, New York.
16. Mr. J. Dick Leser, Test Range Coordinator, Grumman Aircraft Corporation, Galverton, New York.
17. Mr. Donald R. MacCollum, Vice President, Rochester Gas & Electric Corporation, Rochester, New York.
18. Mr. Kenneth J. McIlraith, President, Scott Aviation Division, Automatic Sprinkler Corp., Lancaster, New York.
19. Mr. Elmer C. Methaner, Comptroller, Western Savings Bank, Buffalo, New York.
20. Mr. Maynard L. Parker, Production Manager, Industrial Chemical Division, Hooker Chemical Corporation, Niagara Falls, New York.
21. Mr. C. King Rabineau, President, C. King Rabineau, Inc., Food Brokers, Albany, New York.
22. Mr. Sherwood P. Richards, Attorney, Woodhaven, New York.
23. Mr. Joseph H. Sackett, Real Estate Broker, Woodhaven, New York.
24. Colonel Bernard Saul, Detachment Commander, 152d Tactical Air Control Group, New York Army National Guard, Roslyn, New York.
25. Mr. Robert M. Silver, Manager of Contractual Relations, Sylvania Electronics System, Williamsville, New York.
26. Mr. Edward N. Spink, Resources Man-

agement Officer, Erie County Civil Defense, Canajoharie, New York.

27. Hon. Duncan Sterling, Jr., Mayor of Bayville and Senior Partner, Sterling, Grace and Company, Investment Brokers, New York, New York.

28. Mr. James A. Thomson, Supervisor, Remington Rand Division, Sperry Rand Corporation, Tonawanda, New York.

29. Mr. Daniel W. Vooys, President, Central National Bank, Canajoharie, New York.

30. Dr. Robert A. Werner, Dentist and Associate Professor, University of Buffalo, Kenmore, New York.

31. Mr. Thomas M. Whalen, III, Attorney, Albany, New York.

32. Mr. Robert T. Winding, Manager, Security National Bank, Rocky Point, New York.

ESCORTS

1. Colonel Charles J. McClure, State Air Defense Officer, Division of Military and Naval Affairs, Albany, New York, Escort.
2. Lieutenant Colonel Milton K. Campbell, 1st Region, ARADCOM, Stewart Air Force Base, New York, ARADCOM Escort.
3. Lieutenant Colonel Raymond F. Joyce, Information Officer, Division of Military and Naval Affairs, Albany, New York, Assistant Escort.
4. Major Henry E. Close, Jr. 2d Bn (NH) 209th Artillery, New York National Guard, Lancaster, New York, Assistant Escort.
5. Major Francis J. Horgan, Commanding Officer, 1st Bn (NH) 244th Artillery New York Army National Guard, Roslyn, New York, Assistant Escort.

OHIO NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 21-23, 1968

1. Mr. Edwin L. Arnold, Jr., Manager of Planning & Development, Standard Oil Company of Ohio, Columbus, Ohio.
2. Mr. Donald E. Babb, Owner, Babb Sheet Metal Company, Wilmington, Ohio.
3. Mr. Carroll J. Carr, President, B & C Electric Company, Wilmington, Ohio.
4. Mr. Alvin D. Close, President, National Coin Laundry, Columbus, Ohio.
5. Mr. Donald D. Cook, Director, Ohio Department of Liquor Control, Columbus, Ohio.
6. Mr. Norman Crabtree, Chief of Aviation, Department of Commerce, State of Ohio, Columbus, Ohio.
7. Mr. Robert W. Greer, Executive Secretary-treasurer, Columbus-Franklin County AFL-CIO, Columbus, Ohio.
8. BG Paul E. Hoover, Ohio Air National Guard, Columbus, Ohio.
9. Mr. William C. Jenney, Supervising Engineer (Defense), Ohio Bell Telephone Company, Westlake, Ohio.
10. Colonel William L. Klare, Deputy Director, Selective Service, State of Ohio, Worthington, Ohio.
11. Mr. Paul Massa, Columnist-Feature Writer, Columbus Dispatch, Granville, Ohio.
12. Mr. Warren C. Nelson, Director, Ohio Department of Highway Safety, Lebanon, Ohio.
13. Mr. Dean Phillips, Director of Personnel and Public Relations, North American-Rockwell Corporation, Columbus, Ohio.
14. Honorable Richard G. Reichel, Ohio House of Representatives, State of Ohio, Massillon, Ohio.
15. Colonel Harry E. Richter, Ohio Air National Guard, Columbus, Ohio.
16. Mr. Kline L. Roberts, President, Columbus Area Chamber of Commerce, Columbus, Ohio.
17. Mr. Anthony Ruppensburg, Jr. (Col. Ret.), Surgeon and Faculty Member, Medical College, Ohio State University, Columbus, Ohio.
18. BG Frederick P. Wenger, Assistant Adjutant General for Air, State of Ohio, Worthington, Ohio.
19. Mr. Denver L. White, Director, Ohio Department of Public Welfare, Columbus, Ohio.

ESCORTS

1. Colonel Ned E. Ackner, Hq 1st Region, ARADCOM, Stewart AFB, New York, Escort.
2. Colonel Thomas A. Herzog, Air Defense Officer, State of Ohio, Assistant Escort.
3. LTC Joseph E. P. McCann, Chief of Administrative Services, The Adjutant General's Department, State of Ohio, Assistant Escort.
4. CW3 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Assistant Escort.

MISSOURI ARMY NATIONAL GUARD OPERATION UNDERSTANDING, MARCH 21-23, 1968

1. Honorable William R. Antoine, State Representative, Independence, Missouri.
2. Mr. J. K. Bales, Vice President & Associate General Council, Business Men's Assurance Company of America, Kansas City, Missouri.
3. Honorable Sam C. Blair, Judge, Kansas City Court of Appeals (Ret.), Jefferson City, Missouri.
4. Mr. Theodor Bland, Postmaster & Regional Advisor, Kansas City, Missouri.
5. Mr. Oscar Chapman, Dean of Instruction, Lincoln University, Jefferson City, Missouri.
6. Dr. Max Cull, Clinton, Missouri.
7. Mr. Royce Dawson, Vice President, Missouri Power & Light Company, Jefferson City, Missouri.
8. Honorable Jack Gant, State Senator, Independence, Missouri.
9. Honorable Clarence H. Hefflin, State Representative, Independence, Missouri.
10. Mr. Herman W. Huber, Attorney-at-Law, Jefferson City, Missouri.
11. Mr. Lincoln J. Lett, Resident Engineer, Missouri Highway Department, Maryville, Missouri.
12. Mr. Gerald R. Massie, Assistant Director, Missouri Division of Commerce, and Industrial Development, Jefferson City, Missouri.
13. Mr. Joel Montgomery, President, Montgomery Investment Company, Sikeston, Missouri.
14. Mr. Hal Robertson, Association of Land Banks, Sikeston, Missouri.
15. Mr. Robert J. Schnieders, Administrator, Blair Oaks High School, Jefferson City, Missouri.
16. Mr. Edward J. Schuelein, General Manager, KRCG-TV & KMOS-TV, Jefferson City, Missouri.
17. Mr. Wendell E. Sears, Director, State Training Schools, Jefferson City, Missouri.
18. Mr. Henry L. Thomas, Assistant Coordinator and Administrative Office, Civil Defense, Jefferson City, Missouri.
19. Dr. I. J. Twiehaus, Owner, Countryside Animal Clinic, Kansas City, Missouri.
20. Mr. Ray Wilson, District Construction Engineer, Missouri Highway Commission, St. Joseph, Missouri.

ESCORTS

1. Colonel K. D. Goldblum, Deputy Commander, 2d Region, ARADCOM, Richards-Gebaur Air Force Base, Missouri, Escort.
2. Colonel Walter C. Wilson, State Air Defense Officer, Jefferson City, Missouri, Assistant Escort.
3. CW3 Karl Bennett, Director of Finance and Facilities, AGMO, Jefferson City, Missouri, Assistant Escort.

MAY 6, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).
Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of May 1968, under the provisions of RCS DD-PA (M) 591.

For the Chief of Information:

W. H. APPLEGATE,
Colonel, GS, Chief, Policy and Plans Division.

[AJAIN-C]

DEPARTMENT OF THE ARMY, HEAD-QUARTERS, THIRD UNITED STATES ARMY,

Fort McPherson, Ga., May 27, 1968.

Subject: Report of Nonlocal Travel for Community Relations Purposes (RCS CINFO-25).

CHIEF OF INFORMATION,
Department of the Army,
Washington, D.C.

1. Reference paragraph 27b, AR 360-5, dated 27 September 1967.
2. Seventeen faculty and students of Florida State University visited the United States Army Military Police School, Fort Gordon, Georgia, on 8 and 9 May 1968.
3. The AFC131 flight was requested by Mr. Truett A. Ricks, Instructor, Department of Criminology and Corrections, Florida State University, Tallahassee, who accompanied the group. LTC Frank Griffin, US Army, a student at Florida State University, was the senior military person with the group.
4. The purpose of the visit was to present the educators and their students, whose primary interest is criminology, an opportunity to see the criminology and civil disturbance training being conducted at the US Army Military Policy School, Fort Gordon, Georgia.
5. The names and positions of the faculty and students who made the trip are attached. For the Commander:

CARL M. ABEL,
Colonel, AGC, Assistant Adjutant General.

THE FLORIDA STATE UNIVERSITY,
Tallahassee, Fla.

All of the following are residents of Tallahassee and are in the Department of Criminology and Corrections:

- Czajkosi, Eugene—Associate Professor, 903 Abbingale Drive.
Peizer, Shelton—Associate Professor, 3022 Brandemere Drive.
Venter, Kenneth—Instructor, 320 Lewis Marsh, Richard—Instructor, 2013 E. Indian Head Drive.
Ricks, Truett—Instructor, 310 Ash Court.
Herndon, Doyle—Graduate Student, 920 Maplewood, Ave.
Burkett, Walter—Graduate Student, 1545 Valley Road.
Griffin, Frank—Graduate Student, 2404 Miranda Ave.
Ehasy, Glenn—Graduate Student, 627 E. Park Ave.
Lauer, Dale—Undergraduate Student, 165-1 Cranshaw.
Collins, Stephen—Undergraduate Student, 306-8 Pennell Circle.
Bray, Gary—Undergraduate Student, 172-15 Brittain Drive.
Steadham, John—Undergraduate Student, 126 Valencia Drive.
Melsek, Rodney—Undergraduate Student, 507 Palm Court.
Coney, Gerald—Undergraduate Student, 3118 W. Tennessee St.
Conroy, John—Undergraduate Student, 342 Ridgcrest.
Fenwick, Jack—Undergraduate Student, 463 A. Nathaniel Salley.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

2-6 April 68, Maryland to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 1, T-29, Operation Understanding.

Detroit to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 2, T-29, Operation Understanding.

1-5 April, Colo. Springs to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 3, C-131, Operation Understanding.
1-12 April, Texarkana, Texas to Colorado Springs, Incl 4, C-47, Operation Understanding.

16-20 April, Alaska to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 5, VC-118, Operation Understanding.

Minnesota to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 6, T-29, Operation Understanding.

23-27 April, Philadelphia to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 7, VT-29D, Operation Understanding.

California to Fort Bliss, Texas, White Sands, N. Mex., Ent AFB, Colorado, Incl 8, T-29, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS,
Information Officer.

WASHINGTON-BALTIMORE OPERATION UNDERSTANDING, APRIL 4-6, 1968, GUEST LIST

1. Honorable Stanley Blair, Secretary of State of Maryland, Whiteford, Maryland.
2. Honorable P. M. Brooks, Jr., Mayor of Chestertown, Chestertown, Maryland.
3. Mr. Fred Frederick, Owner, Chrysler-Plymouth Agency, Laurel, Maryland.
4. Honorable Robert S. Heise, Judge, Peoples' Court for Anne Arundel County, Annapolis, Maryland.
5. Mr. Emmett T. Loane, Defense Coordinator for Chesapeake & Potomac Telephone Co., Baltimore, Maryland.
6. Mr. Edward J. Rodowsky, Member, Board of Directors, Independent Retail Grocers' Assoc., Annapolis, Maryland.
7. Mr. Nathan R. Scarborough, Assistant Vice President, Century Savings & Loan Association, Abington, Maryland.
8. Mr. George W. Velenovsky, President, Annapolis, Maryland.

ESCORTS

1. Colonel Henry A. Lowe, 35th Artillery Brigade Commander, Escort.
2. 2d Lieutenant Richard A. Croner, S-3 Section, 35th Artillery Brigade, Assistant Escort.

DETROIT OPERATION UNDERSTANDING, APRIL 4-6, 1968

GUEST LIST

1. Dr. Broadus N. Butler, Associate Director, Project PRESCAD, Wayne State University, Detroit, Michigan.
2. Mr. Irving A. Duffy, Civilian Aide to the Secretary of the Army, Detroit, Michigan.
3. Dr. Leon Fill, Obstetrics & Gynecology, Detroit, Michigan.
4. Mr. James E. Fitzgerald, Editor, Lapeer County Press, Lapeer, Michigan.
5. Mr. Mario Fontana, Commissioner, Michigan Aeronautical Commission, Detroit, Michigan.
6. Mr. D. J. Frayer, Division Commercial Manager, Michigan Bell Telephone Company, Detroit, Michigan.
7. Mr. Norman Hill, Chairman, Macomb Board of Supervisors, Macomb County, Michigan.
8. Mr. Peter C. McGillivray, Chief, Civil Defense, City of Detroit, Detroit, Michigan.
9. Mr. George W. Priehs, Priehs Department Store, Mt. Clemens, Michigan.
10. Mr. Albert J. Rhodes, President, Pontiac Board of Realtors, Pontiac, Michigan.
11. Mr. Joseph B. Sullivan, Commissioner, Department of Purchase and Supplies, Detroit, Michigan.
12. Mr. Frederic C. Weiss, Mr. Clemens Rose Gardens, Mt. Clemens, Michigan.

ESCORTS

1. Colonel Edward H. Church, Commanding Officer, 28th Artillery Group, Escort.
2. Major Philip A. Goetzmann, Adjutant, 28th Artillery Group, Assistant Escort.

COLORADO SPRINGS OPERATION UNDERSTANDING, APRIL 1-5, 1968

GUEST LIST

1. Mr. Rex L. Bennett, Rancher, Colorado Springs, Colorado.
2. Mr. Harold L. Davis, Assistant Police Chief, Colorado Springs Police Department, Colorado Springs, Colorado.
3. Mr. Robert Fackler, President, USO, Colorado Springs, Colorado.
4. Mr. George H. Fellows, City Manager, Colorado Springs, Colorado Springs, Colorado.
5. Mr. Willis P. Fischer, President, Western National Bank, Colorado Springs, Colorado.
6. Mr. Jon W. Frost, Rancher and Owner, Frost Livestock Company, Colorado Springs, Colorado.
7. Mr. Howard J. Kunstle, Attorney-at-Law, Colorado Springs, Colorado.
8. Mr. Frank W. Ladwig, Director of Aviation, City of Colorado Springs, Colorado Springs, Colorado.
9. Mr. Edward V. Lohman, Vice President, Fort Carson National Bank, Colorado Springs, Colorado.
10. Mr. Andrew Marshall, Jr., City Councilman and Treasurer, Union Land & Grazing Company, Colorado Springs, Colorado.
11. Honorable Theodore R. Schubert, State Representative, House of Representatives, Ellicott, Colorado.
12. Mr. James R. Watson, Owner, Colorado Concrete Mfg. Company, Colorado Springs, Colorado.
13. Mr. Leon C. Wilmot, Administrative Executive, Broadmoor Hotel, Colorado Springs, Colorado.

ESCORTS

1. Lieutenant General Robert Hackett, Commanding General, ARADCOM, Host.
2. Colonel Benjamin A. Spiller, Information Officer, ARADCOM, Escort.
3. Lieutenant Colonel Carl G. Kaplanoff, Chief, Community Relations Division, ARADCOM, Assistant Escort.

TEXAS OPERATION UNDERSTANDING, APRIL 11-12, 1968

GUEST LIST

1. Mr. Truman Arnold, Wholesale Distributor, Conoco Petroleum Products, Texarkana, Texas.
2. Mr. Bill Bryan, Assistant Cashier, State First National Bank, Texarkana, Texas.
3. Honorable T. C. Chadick, Chief Justice, Court of Civil Appeals, Sixth District, Texarkana, Texas.
4. Mr. Roy W. Davis, Realtor, Texarkana, Texas.
5. Mr. Wilver E. Drummond, Owner, Ragland Cigar Company, Texarkana, Texas.
6. Honorable Joe J. Fisher, United States District Judge, Eastern District of Texas, Beaumont, Texas.
7. Mr. Dick Gates, Administrator, Titus County Memorial Hospital, Mt. Pleasant, Texas.
8. Mr. W. N. Harkness, Attorney, Texarkana, Texas.
9. Mr. James R. Hubbard, Attorney, Texarkana, Texas.
10. Mr. Guy Jones, Attorney, Texarkana, Texas.
11. Dr. Frank King, Realtor, Texarkana, Texas.
12. Mr. Sidney Lee, Attorney, Texarkana, Texas.
13. Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Texas.
14. Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.
15. Mr. Connor W. Patman, Attorney, Texarkana, Texas.
16. Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.
17. Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.

18. Mr. Albert F. Rehkopf, Owner, Rehkopf Foodland, Wake Village, Texas.
19. Honorable George Rozzell, Mayor of Wake Village, Wake Village, Texas.
20. Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

ESCORTS

1. Colonel Nathan I. Reiter, Jr., Commanding Officer, Red River Army Depot, Texarkana, Texas, Escort.
2. Major W. Jon Marshall, Executive Officer, Red River Army Depot, Texarkana, Texas, Assistant Escort.

ALASKA OPERATION UNDERSTANDING, APRIL 16-20, 1968

GUEST LIST

1. Mr. Richard Albers, City Councilman, Anchorage, Alaska.
2. Mr. John M. Anderson, President, Euralaska Sales Company, Anchorage, Alaska.
3. Mr. John M. Asplund, Chairman, Greater Anchorage Area Borough, Anchorage, Alaska.
4. Dean Earl H. Beistline, University of Alaska College, Alaska.
5. Mr. Alvin O. Bramstedt, President & General Manager, Midnight Sun Broadcasting Company, Anchorage, Alaska.
6. Mr. Augie G. Hiebert, President & General Manager, Northern Television, Inc., Anchorage, Alaska.
7. Honorable Richard W. Kirkpatrick, Mayor of Seward, Seward, Alaska.
8. Mr. James A. Messer, Partner, Aurora Motors Company, Fairbanks, Alaska.
9. Mr. Frank M. Reed, Vice President, Matanuska Valley Bank, Anchorage, Alaska.
10. Brigadier General Clarence E. Reid, Assistant Adjutant General, Army National Guard, Anchorage, Alaska.
11. Dr. Frank King, Realtor, Texarkana, Texas.
12. Mr. Sidney Lee, Attorney, Texarkana, Texas.
13. Mr. H. L. McAdams, Division Manager, Southwestern Electric Power Company, Texarkana, Texas.
14. Mr. W. B. McCulloch, President, McCulloch Electronics Company, Texarkana, Texas.
15. Mr. Connor W. Patman, Attorney, Texarkana, Texas.
16. Mr. George Quillin, Sales Representative, Ragland Office Equipment Company, Texarkana, Texas.
17. Mr. J. C. Reavis, President, McWilliams Stationery Company, Texarkana, Texas.
18. Mr. Albert F. Rehkopf, Owner, Rehkopf Foodland, Wake Village, Texas.
19. Honorable General Rozzell, Mayor of Wake Village, Wake Village, Texas.
20. Mr. Sam Westbury, Owner, Acme Equipment Company, Tyler, Texas.

ESCORTS

1. Colonel Nathan I. Reiter, Jr., Commanding Officer, Red River Army Depot, Texarkana, Texas, Escort.
2. Major W. Jon Marshall, Executive Officer, Red River Army Depot, Texarkana, Texas, Assistant Escort.

MINNEAPOLIS-ST. PAUL OPERATION UNDERSTANDING APRIL 18-20, 1968

GUEST LIST

1. Mr. R. Charles Alderson, Senior Staff Engineer, System & Research Division, Honeywell, Inc., Minneapolis, Minnesota.
2. Mr. Harold D. Beetsch, Purchasing Agent, City of Minneapolis, Minneapolis, Minnesota.
3. Mr. Robert O. Campbell, Manager, News & Information, Control Data Corp., Minneapolis, Minnesota.
4. Mr. James E. Gretz, Vice President, Bank of New Richmond, New Richmond, Minnesota.
5. Honorable Elgin Gunderson, Mayor, Village of Cambridge, Cambridge, Minnesota.

6. Mr. Gary Hiebert, Columnist, St. Paul Pioneer Press & Dispatch, St. Paul, Minnesota.

7. Mr. Vern E. Leas, Vice President, Defense Marketing & Systems, Inc., St. Paul, Minnesota.

8. Mr. James W. Millin, Applied Mathematics Department, 3M Center, St. Paul, Minnesota.

9. Mr. William L. Nunn, Director, University Relations, University of Minnesota, Minneapolis, Minnesota.

10. Mr. George T. Sathre, Director, Corporate Purchasing, Hoerner Waldorf Corporation, St. Paul, Minnesota.

11. Mr. Richard J. Slater, Vice President & Associate Division Manager, G. T. Schjeldahl Co., Northfield, Minnesota.

12. Mr. Robert Weiss, Manager, Advanced Foods Borough & Support Systems Division, Research and Development Labs, The Pillsbury Company, Minneapolis, Minnesota.

ESCORTS

1. Lieutenant Colonel Donal C. Wells, Deputy Commander, 50th Artillery Group (AD), Escort.
2. CW4 Jose Anorga, 50th Artillery Group (AD), Assistant Escort.

PHILADELPHIA-NEW YORK-NEW JERSEY OPERATIONS UNDERSTANDING, APRIL 25-27, 1968

GUEST LIST

1. Mr. George S. Bergman, President, Blair Tool and Machine Company, Flushing Queens, New York.
2. Mr. Donald W. DeCordova, Morrison, Lloyd, and Griggs, Hackensack, New Jersey.
3. Dr. William I. Geffer, Chief of Medicine, Episcopal Hospital, Philadelphia, Penna.
4. Mr. James Jones, International Representative, International Steel Workers of America, District 7, Philadelphia, Penna.
5. Dr. Jean Paul Mather, President, University City Science Center, Philadelphia, Penna.
6. Mr. Paul Murphy, Editor, Sun Magazine, Philadelphia, Penna.
7. Mr. Daniel P. Noonan, Vice President, Communications, Greater Philadelphia Chamber of Commerce, Philadelphia, Penna.
8. Mr. Ted Otis, Vice President, American Banker, New York, New York.
9. Mr. Clyde M. Pratt, Administrator, Borough of Tenafly, Tenafly, New Jersey.
10. Dr. Kenneth D. Wells, Freedoms Foundation at Valley Forge, Valley Forge, Penna.
11. Dr. H. Todd Williamson, President of Kiwanis Club, Philadelphia, Penna.
12. Dr. Walter Wollam, Assistant Superintendent of Schools, Tenafly, New Jersey.

ESCORTS

1. Colonel Rex H. Hampton, Commanding Officer 52nd Arty Brigade (AD), Highlands AADS, New Jersey, Escort.
2. 1st Lieutenant William A. Ransom, Assistant Adjutant, 52d Arty Brigade (AD), Highlands AADS, New Jersey, Assistant Escort.

CALIFORNIA-UTAH OPERATION UNDERSTANDING, APRIL 25-27, 1968

GUEST LIST

1. Mr. George B. Catmull, Commissioner of Streets & Public Improvement, Salt Lake City, Utah.
2. Honorable Bruce G. Egbert, Mayor of West Jordan, West Jordan, Utah.
3. Mr. Walter H. Giubini, Assistant District Attorney, San Francisco, California.
4. Mr. Edwin Johnson, Vice President & Manager, Wells Fargo Bank, San Rafael, California.
5. Mr. Glen E. Kraft, Chairman, Town Council, Kearns, Utah.
6. Mr. Fuller H. Latter, Member, Utah Coordinating Council of Development Services, Salt Lake City, Utah.
7. Mrs. Carl P. McCarthy (Grace), Member of City Council, Pacifica, California.

8. Mr. Robert T. Nahas, President, Oakland-Alameda Coliseum Complex Board, Oakland, California.

9. Mr. Richard P. Nave, President, Morin County Chamber of Commerce, San Rafael, California.

10. Mrs. Robert L. Otsea (Marion), Field Representative to Congressman William S. Mailliard, San Francisco, California.

11. Mr. Charles Paris, President, Town Council, Magna, Utah.

12. Mrs. James R. Winn (Eleanor), Wife of Commanding General, 6th Region, ARADCOM, San Francisco, California.

13. Mrs. J. Arthur Wood (Vi), Vice President, Utah Division American Cancer Society, Salt Lake City, Utah.

ESCORTS

1. Major General James R. Winn, Commanding General, 6th Region, ARADCOM, Escort.

2. Major Betty J. Benedict, Information Officer, 6th Region, ARADCOM, Assistant Escort.

3. 1st Lieutenant Leo J. Burrell, Jr., Aide-de-Camp to Commanding General, 6th Region, Assistant Escort.

DEPARTMENT OF THE ARMY, OFFICE OF THE CHIEF OF INFORMATION,

Washington, D.C.

Memorandum For: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of September 1968, under the provisions of RCS DD-PA (M) 591.

Col. W. H. APPLEGATE,
Chief, Policy and Plans Division,
(For the Chief of Information).

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

17-21 Sep 68, McGuire AFB, N.J., to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C-121, Operation Understanding.

25-27 Sep 68, Harrisburg, Pa., to Colorado Springs, Colo., Incl 2, C-121, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS
Information Officer.

VISITORS FROM NEW JERSEY,

SEPTEMBER 19-21, 1968

Thursday, September 19, 1968

5:00 p.m.—Guests arrive at Peterson Field.

5:00-5:30 p.m.—Guests travel to Antlers Plaza Hotel.

Friday, September 20, 1968

8:00-8:30 a.m.—Travel to NORAD Cheyenne Mountain Complex.

8:40-8:45 a.m.—Welcome by Colonel Benjamin A. Spiller, Information Officer, ARADCOM.

8:45-9:45 a.m.—NORAD briefing on: Mission, Threat and Organization; Current Operations; Future Requirements.

9:45-10:30 a.m.—NORAD briefing on the Combat Operations Center.

10:30-11:00 a.m.—Travel to Ent AFB, Room 2-157.

11:00-11:15 a.m.—Break.

11:15-11:45 a.m.—ARADCOM briefing by Major James E. Gleason.

11:45-12:00 noon—Question and discussion period by Lieutenant General George V. Underwood, Jr., CG ARADCOM.

12:00-1:30 p.m.—Luncheon at Skyline Officers Club hosted by General Underwood.

1:30-1:45 p.m.—Group pictures.

1:45-4:30 p.m.—Guests tour Garden of Gods and Air Force Academy.

Saturday, September 21, 1968

8:00 a.m.—Guests depart Peterson Field for home station.

ARADCOM Escort: Lt. Col. Carl G. Kaplanoff, Chief Community Relations Division.

NEW JERSEY OPERATION UNDERSTANDING, SEPTEMBER 19-21, 1968

GUEST LIST

1. Mr. Nicholas C. Bonsanto, Vice President and Treasurer, Crescent Sportswear, Inc., Bordentown, New Jersey.

2. Honorable Ernest A. Buhr, Mayor, Township of Dover, Toms River, New Jersey, Toms River, New Jersey.

3. Mr. Peter L. Campisi, President, Automated Statements, Livingston, New Jersey.

4. Mr. Edwin L. Davis, Owner, Edwin L. Davis Agency (Real Estate and Insurance), Wrightstown, New Jersey.

5. Colonel Stephen A. Duane (AUS, Ret.), Sea Girt, New Jersey.

6. Mr. William G. Engelmann, Advertising Sales Manager, American Paint Journal Company, Belle Mead, New Jersey.

7. Mr. James M. Fitzgerald, State Commander, Department of New Jersey, Veterans of Foreign Wars, North Bergen, New Jersey.

8. Mr. George R. Freund, President, Lite Wate Corporation, Short Hills, New Jersey.

9. Honorable Philip J. Gallagher, Mayor, Township of Mount Holly, Mount Holly, New Jersey.

10. Honorable Harry J. Gaynor, Mayor, Boro of South Plainfield, South Plainfield, New Jersey.

11. Mr. Daniel L. Golden, Vice President, New Jersey State Bar Association, South River, New Jersey.

12. Mr. Herbert W. Hobler, President, Nassau Broadcasting Company, Princeton, New Jersey.

13. Mr. Eugene F. Hourihan, Sales Engineer, Joseph T. Ryerson & Son, New Providence, New Jersey.

14. Mr. Constantino Kafalas, President, Prototype Transformer Corporation, Livingston, New Jersey.

15. Mr. William M. Kelley, Jr., Sales Product Supervisor, Bethlehem Steel Corporation, Denville, New Jersey.

16. Mr. Warren Kennett, Military Writer, Newark Evening News, Newark, New Jersey.

17. Dr. John J. Komarek, Doctor of Chiropractic, Burlington, New Jersey.

18. Dr. John F. Kustrup, M.D., President, Medical Society of New Jersey, Trenton, New Jersey.

19. Mr. Charles M. McCullough, Commercial Staff Supervisor, New Jersey Bell Telephone Company, Trenton, New Jersey.

20. Mr. J. Robert McNeil, Retired, Lawrenceville, New Jersey.

21. Mr. George B. Moorhead, New Jersey State Forester, Department of Conservation and Economic Development of New Jersey, Trenton, New Jersey.

22. Mr. Williams D. Payne, Assistant Manager, Community Relations, Prudential Insurance Company, Newark, New Jersey.

23. Mr. Sheldon B. Robertson, Executive Director, Young Men's Christian Association, Levittown, Pennsylvania.

24. Mr. Nathan N. Schildkraut, Attorney-at-Law, Trenton, New Jersey.

25. Mr. Edmund J. Smith, President, Yardville Supply Company, Yardville, New Jersey.

26. Mr. Richard B. Standiford III, Administrative Analyst I (Engineering), Bureau of the Budget of New Jersey, Trenton, New Jersey.

27. Mr. Raymond L. Steen, President, The Broad Street National Bank of Trenton, Morristown, Pennsylvania.

28. Mr. Herbert E. Stites, Customer Rela-

tions Supervisor, New Jersey Bell Telephone Company, Yardley, Pennsylvania.

29. Mr. Emil D. Tietje, Retired, Montclair, New Jersey.

30. Mr. Henry Welling, Retired, Princeton, New Jersey.

31. Honorable Arthur V. Wynne, Jr., Mayor, Township of Livingston, Livingston, New Jersey.

ESCORTS

1. Major General James F. Cantwell, Chief of Staff, Department of Defense, State of New Jersey, NJARNG, Trenton, New Jersey, Escort.

2. Colonel Raymond J. Hill, State Air Defense Officer, NJARNG, Assistant Escort.

3. Colonel John W. Ireland, Jr., NJARNG, Assistant Escort.

4. Colonel Robert L. Nicol, Commanding Officer, 12th Artillery Group, NJARNG, Assistant Escort.

5. 1st Lieutenant Billy McDaniel, Executive Officer, Btry A, 7th Bn. (HERC), 112th Arty, NJARNG, Assistant Escort.

6. CWO W-2 William H. Stephens, Administrative Assistant to Director of Personnel, Department of Defense, State of New Jersey, NJARNG, Assistant Escort.

GUEST LIST, PENNSYLVANIA OPERATION UNDERSTANDING, SEPTEMBER 25-27, 1968

1. Honorable Herbert Arlene, Pennsylvania State Senator, Chester, Pa.

2. Mr. William E. Woodside, Attorney, Legal Assistance, State Senate, Millersburg, Pa.

3. Honorable Donald O. Blair, House of Representatives, Pittsburgh, Pa.

4. Honorable Clarence D. Bell, Pennsylvania State Senator, Media, Pa.

5. Mr. Harold E. Flack, Pennsylvania State Senator, Librarian, Wilkes-Barre, Pa.

6. Honorable Samuel W. Frank, House of Representatives, Allentown, Pa.

7. Colonel John E. Fullerton, Hq. Pennsylvania Air National Guard, Harrisburg, Pa.

8. Honorable James J. Gallen, House of Representatives, Shillington, Pa.

9. Mr. Harold Goldstein, Civic Leader, Chester, Pa.

10. Honorable Mark Gruell, Jr., Secretary, Pennsylvania State Senate, Harrisburg, Pa.

11. Honorable John H. Hamilton, House of Representatives, Philadelphia, Pa.

12. Honorable Robert K. Hamilton, House of Representatives, Ambridge, Pa.

13. Honorable Freeman P. Hankins, Pennsylvania State Senator, Chester, Pa.

14. Honorable H. Joseph Hepford, House of Representatives, Harrisburg, Pa.

15. Honorable Allan W. Holman, Jr., House of Representatives, New Bloomfield, Pa.

16. Brigadier General Nicholas P. Kafalas, CG, 28th Infantry Division, Indiantown Gap Military Reservation, Annville, Pa.

17. Honorable H. Francis Kennedy, House of Representatives, Butler, Pa.

18. Mr. Frank P. Lawley, Jr., Deputy Attorney General, Harrisburg, Pa.

19. Mr. Frank P. Lawley III, Student, Harrisburg, Pa.

20. Honorable Clarence F. Manbeck, Pennsylvania State Senator, Fredericksburg, Pa.

21. Honorable Thomas P. McCreesh, Pennsylvania State Senator, Philadelphia, Pa.

22. Honorable Donald McCurdy, House of Representatives, Springfield, Pa.

23. Mr. George McManus, Executive Director, House of Representatives, Camp Hill, Pa.

24. Honorable Stanley A. Meholchick, House of Representatives, Ashley, Pa.

25. Honorable Martin P. Mullen, House of Representatives, Philadelphia, Pa.

26. Honorable Harvey L. Nitrauer, House of Representatives, Myerstown, Pa.

27. Honorable Stanley M. Noszka, Pennsylvania State Senator, Pittsburgh, Pa.

28. Honorable William G. Piper, House of Representatives, Reading, Pa.

29. Honorable Frank Polaski, House of Representatives, Erie, Pa.

30. Mr. Vincent Re David, Civic Leader, Chester, Pa.

31. Mr. Robert M. Schelpe, Assistant to the Chief Clerk, House of Representatives, Pottsville, Pa.

32. Honorable C. Timothy Slack, House of Representatives, Coatsville, Pa.

33. Honorable Orville E. Snare, House of Representatives, Huntingdon, Pa.

34. Honorable James E. Willard, Pennsylvania State Senator, Pottsville, Pa.

ESCORTS

1. Brig. General Richard B. Posey, Deputy Adjutant General, PANG, Harrisburg, Pa.—Escort.

2. Colonel John R. Oswald, Air Defense Officer, Allentown, Pa.—Assistant Escort.

3. Major Gerard P. Conva, Operations Training Assistant (MSCA), Camp Hill, Pa.—Assistant Escort.

4. SFC James R. Anderson, Administrative Specialist, Palmyra, Pa.—Assistant escort.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2 for the month of September 1968, under the provisions of RCS DD-PA (M) 591.

Lt. Col. LANE CARLSON,
Deputy Chief, Policy & Plans Division,
(For the Chief of Information.)

OCTOBER 11, 1968.

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

HQ, U.S. ARMY MATERIEL COMMAND
Washington, D.C.

Forwarded per reporting requirement (RCS CINFO-25).

WILLIAM H. MESSENGER,
Chief, Community Relations, Information Office,
(For the Commander).

OCTOBER 11, 1968.

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

HQ, U.S. ARMY MATERIEL COMMAND
Washington, D.C.

Forwarded per reporting requirement (RCS CINFO-25).

WILLIAM H. MESSENGER,
Chief, Community Relations, Information Office,
(For the Commander).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

Attention: AMCIN-CR.
COMMANDING GENERAL,
U.S. Army Materiel Command,
Washington, D.C.

1. Reference AMCR 360-5, dated 5 March 1968.

2. Lt. Commander L. M. Lavin, requesting officer, for the U.S. Naval and Marine Corps Reserve Training Center, Lexington, Kentucky (utilizing the following vehicles to transport personnel):

Equipment: Bus (2).
Origin: Lexington, Ky.
Destination: Winchester, Ky.
Date: 14-15 Sept. 68.

3. LTC Richard S. Webb III, requesting officer, for the 2d Battalion 8830th MP USAR, Lexington, Kentucky, utilized the following vehicles to transport cadets:

Equipment: Bus (3).
Origin: Lexington, Ky.
Destination: Lexington, Ky.
Date: 15 Sept. 68.

4. Major Edward Cihak, requesting officer, for Detachment #8, USAF, Richmond, Kentucky, utilized the following vehicle to transport visiting personnel:

Equipment: Carryall.
Origin: Richmond, Ky.
Destination: Cincinnati, Ohio.
Date: 26 Sept. 68.

Lt. Col. JOHN P. FOLEY,
Director for Administration,
(For the Commander).

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF INFORMATION,
Washington, D.C.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed reports, subject as above, are submitted in accordance with Section IX, DOD Directive 5435.2, under the provisions of RCS DD-PA (M) 591.

Lt. Col. LANE CARLSON,
Deputy Chief, Policy and Plans Division
(For the Chief of Information).

HQ, U.S. ARMY MATERIEL COMMAND,
Washington, D.C., November 13, 1968.

To: Chief of Information, Department of the Army, Washington, D.C. 20310.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

Forwarded per reporting requirement (RCS CINFO-25).

WILLIAM H. MESSENGER,
Chief, Community Relations,
Information Office
(For the Commander).

DEPARTMENT OF THE ARMY, HEAD-
QUARTERS, LEXINGTON-BLUE GRASS
ARMY DEPOT.

Lexington, Ky.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

Attention: AMCIN-CR.
COMMANDING GENERAL,
U.S. Army Materiel Command,
Washington, D.C.

1. Reference AMCR 360-5, dated 5 March 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University R.O.T.C., Richmond, Kentucky, requested the following vehicles to transport supplies:

Equipment, Truck 2½ ton; origin, Richmond, Ky.; destination, Richmond, Ky.; date 4 Oct 68.

Equipment, Truck 2½ ton; origin, Richmond, Ky.; destination, Fort Knox, Ky.; date 18 Oct 68.

3. Major D. G. Mason, requesting officer, for the USMC, Naval and Marine Corps Reserve Training Center, Lexington, Kentucky, utilized the following vehicles to transport personnel to Daniel Boone National Forest for field exercise:

Equipment, Bus (3); origin, Lexington, Ky.; destination, Stanton, Ky.; date, 18-20 Oct 68.

4. Colonel Howard C. Parker, requesting officer, for the Military Science Department, University of Kentucky, Lexington, Kentucky, utilized the following vehicle to transport personnel:

Equipment, Sedan; origin, Lexington, Ky.; destination, Louisville, Ky.; date, 18-20 Oct 68.

Lt. Col. JOHN P. FOLEY,
Director for Administration
(For the Commander).

DEPARTMENT OF THE ARMY, OFFICE
OF THE CHIEF OF INFORMATION,
Washington, D.C., November 21, 1968.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINFO-25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Information:
Lt. Col. LANE CARLSON, GS,
Deputy Chief, Policy and Plans Division.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS
PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office,
Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

3-5 Oct 68, Floyd Bennet Fld, N.Y., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, T-29, Operation Understanding.
3-5 Oct 68, Hamilton AFB, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C-131, Operation Understanding.

10-12 Oct 68, Pittsburgh, Pa., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, VT-29, Operation Understanding.

10-12 Oct 68, Miami, Fla., from Homestead AFB, Fla., Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, VT-29, Operation Understanding.

17-19 Oct 68, Highlands, N.J., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 5, T-29, Operation Understanding.

17-19 Oct 68, Columbus, Ohio, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 6, C-54, Operation Understanding.

24-26 Oct 68, Stewart AFB, N.Y., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 7, T-29, Operation Understanding.

4-26 Oct 68, O'Hare Fld, Ill., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 8, T-29, Operation Understanding.

31 Oct-2 Nov 68, Logan Internat'l, Boston, Mass., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 9, T-29, Operation Understanding.

31 Oct-2 Nov 68, Jefferson City, Mo., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 10, C-97, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS
Information Officer.

NEW YORK OPERATION UNDERSTANDING, OCTOBER 3-5, 1968

GUEST LIST

1. Mr. Richard Halversen, Free Lance Writer, New York, N.Y.

2. Mrs. Kae Hayes, Military Life, New York, N.Y.

3. Miss Thecla Holdane, True Magazine, New York, N.Y.

4. Miss Julie Johnson, This Week Magazine, New York, N.Y.

5. Mr. Henry Marrows, Technical Information Manager, Western Electric, New York, N.Y.

6. Mr. John F. Mason, Military-Aerospace Editor, Electronic Design, New York, N.Y.

ESCORTS

1. Colonel J. L. Sullivan, Assistant Chief of Staff, Hq 1st Region, ARADCOM, Escort Officer.

2. Captain V. L. Estes, Information Officer, Hq 1st Region, ARADCOM, Assistant Escort Officer.

SAN FRANCISCO OPERATION UNDERSTANDING,
OCTOBER 3-5, 1968

GUEST LIST

1. Mr. Bowen Bridges, Primary Inspector, Marin County Sheriff's Department, San Rafael, Calif.
2. Miss Mary Broadbudd, President, Oakland Chapter, Business & Professional Women's Club, Oakland, Calif.
3. Honorable Florence E. Douglas (Mrs.), Mayor, Vallejo, Calif.
4. Mrs. Della L. Edge, Attorney, Bledsoe, Smith, Cathart, Johnson & Rogers, San Francisco, Calif.
5. Mrs. Gerlinde Emadin, President, Marin Business & Professional Women's Club, San Rafael, Calif.
6. Mr. Ben Farlati, President, Chamber of Commerce, Tiburon, Calif.
7. Mr. J. Ellis Godfrey, Chairman, County Board of Supervisors, Fairfield, Calif.
8. Mr. David C. Hansen, President, Chamber of Commerce, Castro Valley, Calif.
9. Mrs. Albina Kaiser, Social Secretary to Mayor Florence Douglas, Vallejo, Calif.
10. Mr. Edward J. Meyers, Assistant Supervisor, Stock Control, Pacific Gas & Electric Co., Danville, Calif.
11. Mr. Edward M. Mills, President, Chamber of Commerce, Publisher, Mill Valley Record, Mill Valley, Calif.
12. Mrs. Elouise Sherer, President, Lake Merritt Chapter, National Secretaries Association, Hayward, Calif.

ESCORTS

1. Colonel Thomas H. Tarver, Commanding Officer, 40th Artillery Brigade, Escort Officer
2. Major Betty J. Benedict, Information Officer, 6th Region ARADCOM, Assistant Escort Officer
3. Warrant Officer Terrence M. Connor, Aviation Operations Officer, 40th Artillery Brigade, Assistant Escort Officer

PITTSBURGH OPERATION UNDERSTANDING,
OCTOBER 10-12, 1968

GUEST LIST

1. Mr. Ernest U. Buckman, Oliver-Tyrone Corporation, Pittsburgh, Pennsylvania.
2. Mr. John W. Dameron, Executive Director and General Manager, Port Authority of Allegheny County, Pittsburgh, Pennsylvania.
3. Honorable Jules Filo, Member, House of Representatives, Commonwealth of Pennsylvania, West Mifflin, Pennsylvania.
4. Honorable Malcom Hay, Judge of Orphans Court, Pittsburgh, Pennsylvania.
5. Mr. Wilbert F. Huntley, Director of Blast Furnace Operations, Jones & Laughlin Steel Corp., Pittsburgh, Pennsylvania.
6. Mr. Carl S. McKee, President, International Staple & Machine Co., Butler, Pennsylvania.
7. Mr. Thomas R. Parry, Executive Manager, Western Pennsylvania Safety Council, Pittsburgh, Pennsylvania.
8. Honorable Gwilym A. Price, Jr., Judge, Court of Common Pleas, Pittsburgh, Pennsylvania.
9. Mr. Norman Rea, Redding, Blackston, Rea & Sell, Pittsburgh, Pennsylvania.
10. Mr. Robert E. Santon, President, Community Bank of Pittsburgh, Pittsburgh, Pennsylvania.
11. Mr. Anthony W. Saveikis, Tonidale Restaurant, President of Board of Trade, Oakdale, Pennsylvania.
12. Mr. Mark G. Shultz, Sheriff, Sheriff's Office of Greene County, Waynesburg, Pennsylvania.

ESCORTS

1. Colonel Walter M. Drozd, Deputy Commander, 31st Artillery Brigade (AD), Escort Officer.
2. First Lieutenant Gerald E. McCarthy, Assistant Adjutant, 31st Artillery Brigade (AD), Assistant Escort Officer.

3. First Lieutenant Frank J. Fabish, Commanding Officer, Headquarters Battery, 3d Battalion, 1st Artillery, Assistant Escort Officer.

MIAMI OPERATION UNDERSTANDING, OCTOBER
10-12, 1968

GUEST LIST

1. Mrs. Jane Agey, President, Agey Advertising Agency, Miami Beach, Florida.
2. Mrs. Terry Campbell, Wife of President of International Lions Club, Miami Beach, Florida.
3. Mrs. Erma Crandell, Active in veteran and civic affairs, St. Petersburg, Largo, Florida.
4. Mrs. Marguerite Drummond, Past President, American Auxiliary in Florida, Col. Drummond (Ret.) is civilian aide to Sec. of Army, Fla., Bonifay, Florida.
5. Mrs. Nancy Evans, Wife of Brigadier General Evans (Ret.), Miami Beach, Florida.
6. Mrs. Betty Gallagher, Educational advisor in Miami School system, Miami Beach, Florida.
7. Mrs. Marcell Madero, Active in local civic affairs, Miami Beach, Florida.
8. Mrs. Joan McHale, Fashion Editor, Miami Herald, Miami Beach, Florida.
9. Mrs. Jamie Mehrtens, Wife of U.S. District Court Judge, Miami Beach, Florida.
10. Mrs. Evelyn Mitchell, Confidential private secretary to Arthur Vining Davis, prominent realtor (deceased), South Dade, Florida.
11. Mrs. Vera Neale, Active in civic affairs, Coral Gables, Florida.
12. Mrs. Carolyn Pearce, Member, Board of Regents, Florida State University System, Miami Beach, Florida.
13. Mrs. Mai Rogers, Active in Miami community civic affairs, Miami Beach, Florida.
14. Mrs. Christine Stebbins, Civic leader with Miami TV channel #2, Planning in Educational Programs, Miami Beach, Florida.

ESCORTS

1. Major Harvey C. Feimster, S-4, 13th Artillery Group (AD), Escort Officer.
2. Captain Virginia L. Estes, Information Officer, 1st Region, ARADCOM, Assistant Escort Officer.

NEW JERSEY-NEW YORK OPERATION UNDERSTANDING, OCTOBER 17-19, 1968

GUEST LIST

1. Mr. Harrison Blair, Vice President (Retired), Chemical New York Bank and Trust, New York, N.Y.
2. Mr. Everett Fooks, Partner, Fooks & Fooks, New York, N.Y.
3. Honorable Willard B. Knowlton, State Senator, Bergen County, N.J.
4. Colonel Vincent A. Lane (AUS Ret), Member of New York Chamber of Commerce, New York, N.Y.
5. Mr. Hugh Malone, Director, Public Relations, Aviation Week and Space Technology, New York, N.Y.
6. Mr. Joseph A. Phelan, Artist-Illustrator, New York, N.Y.
7. Mr. David E. Van Iderstine, President, Marine Insurance Company, Red Bank, N.J.
8. Mr. Everett B. Vreeland, State Assemblyman, Morris County, N.J.
9. Mr. Curtis Winston, Legislative Aide, Trenton, N.J.
10. Mr. Peter Wojtul, Vice President, Continental Can Company, New York, N.Y.

ESCORTS

1. Colonel William T. Harris, Executive Officer, 52nd Artillery Brigade (AD), Highlands Army Air Defense Site, Highlands, N.J., Escort Officer.
2. 2nd Lieutenant Joel E. Steirman, Information Officer, 52nd Artillery Brigade (AD), Highlands Army Air Defense Site, Highlands, N.J., Assistant Escort Officer.

OHIO NATIONAL GUARD OPERATION UNDERSTANDING, OCTOBER 17-19, 1968

GUEST LIST

1. Mr. William H. Anderson, Vice President, F & R Lazarus Company, Columbus, Ohio.
2. Lieutenant Colonel Robert C. Clouse, Chief, Administrative and Personnel, Selective Service System for State of Ohio, Columbus, Ohio.
3. Honorable Calvin F. Conrad, Mayor of Oxford, Oxford, Ohio.
4. Mr. Brian G. Dailey, Executive Vice President, Snelling and Snelling Company, Columbus, Ohio.
5. Mr. Fred W. Fisher, President, Fisher Cheese Company, Wapakoneta, Ohio.
6. Mr. Lynn W. Georgia, Ass't Supervisor, Military Communication, Ohio Bell Telephone Company, Columbus, Ohio.
7. Mr. William W. Gilfillen, Architect, Columbus, Ohio.
8. Mr. J. Robert Hanesworth, Vice President, Huntington National Bank, Columbus, Ohio.
9. Brigadier General Paul E. Hoover, Commander, Hq. 121st Tactical Fighter Wing, Lockbourne AFB, Ohio.
10. Mr. Leon Landon, President, Columbia National Corporation, Columbus, Ohio.
11. Colonel Heber L. Minton, AUS, Director, Selective Service System for State of Ohio, Columbus, Ohio.
12. Mr. Fred E. Morr, Director, Department of Natural Resources, State of Ohio, Columbus, Ohio.
13. Dr. Richard D. Potts, Springfield Ohio.
14. Mr. A. N. Prentice, Vice President & General Manager, Ohio Power Company, Canton, Ohio.
15. Mr. Francis J. Quinn, Chairman of the Board, F. J. Quinn Company, Columbus, Ohio.
16. Mr. Melvin Rackoff, President, Rackoff Associates, Columbus, Ohio.
17. Mr. Joseph C. Sharp, Division Manager, General Telephone Company of Ohio, Portsmouth, Ohio.
18. Mr. Fran Stratman, General Manager, Radio Station WMWM, Wilmington, Ohio.
19. Mr. Robert W. Teater, Assistant Director, Department of Natural Resources, State of Ohio, Columbus, Ohio.
20. Colonel William G. Totman, Assistant Quartermaster General, Adjutant General's Department, State of Ohio, Columbus, Ohio.
21. Mr. Richard C. Yocum, President, Yocum Realty Company, Lima, Ohio.

ESCORTS

1. Colonel Thomas A. Herzog, Air Defense Officer, The Adjutant General's Department, State of Ohio, Columbus, Ohio, Escort Officer.
2. Major Frank N. Cremer, Deputy Group Commander, 88th Artillery Group (AD), Wilmington, Ohio, Assistant Escort Officer.
3. CW3 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Columbus, Ohio, Assistant Escort Officer.

NEW YORK OPERATION UNDERSTANDING,
OCTOBER 24-26, 1968

GUEST LIST

1. Colonel Robert J. Beckwith, State of Connecticut, Veterans' Home and Hospital, Rocky Hill, Connecticut.
2. Mr. Richard H. Bullwinkel, Vice President, County National Bank, Newburgh, N.Y.
3. Mr. Jack Doyle, President, Newburgh Junior Chamber of Commerce, Newburgh, N.Y.
4. Mr. Andrew Ferreira, Enfield Wilding, Enfield, Connecticut.
5. Mr. William J. Johnston, Staff Assistant, Contact Division, Veterans' Administration, Hartford, Connecticut.
6. Mr. Eugene Kelly, Insurance Executive, Manchester, Connecticut.

7. Mr. G. Russell LeBeau, President, Bernstein & Co., Inc., Providence, Rhode Island.
8. Mr. John Lovell, Associate Professor, Political Science, Vassar College, Poughkeepsie, N.Y.
9. Dr. David R. Shapiro, Board of Education, Newburgh, N.Y.
10. Mr. John Sherman, Director, Newburgh Chamber of Commerce, Newburgh, N.Y.
11. Mr. Richard H. Stover, President, County National Bank, Newburgh, N.Y.

ESCORTS

1. Colonel Ned Ackner, Chief of Staff, Hq, 1st Region, ARADCOM, Escort Officer.
2. Captain V. L. Estes, Information Officer, Hq, 1st Region, ARADCOM, Assistant Escort Officer.

CHICAGO OPERATION UNDERSTANDING, OCTOBER 24-26, 1968

GUEST LIST

1. Mrs. Catherine Charlton, Wife of Commander, 45th Brigade, Mt. Prospect, Illinois.
2. Mrs. Verna Corey, Wife of Administrative Ass't. to Mayor Daley, Chicago, Illinois.
3. Mrs. Billie Demler, Wife of Maj. Gen. Demler, Commander of Air Force Technical Training Center, Chanhute AFB, Illinois.
4. Mrs. Ann Hanson, Wife of Village Manager, Arlington Heights, Illinois.
5. Mrs. Wanda Keegan, Vice President, Arrow Road Construction Co., Mt. Prospect, Illinois.
6. Mrs. Kathleen Meinzer, Wife of Pastor, Grace United Church of Christ, Milwaukee, Wisconsin.
7. Mrs. Carolyn Miller, Wife of Executive Vice President, Badger Meter Manufacturing Co., Milwaukee, Wisconsin.
8. Mrs. Catherine Peoples, Wife of Assistant Vice President, Marshall & Ilsley Bank, Milwaukee, Wisconsin.
9. Miss Marlon Roche, U.S.O. Representative, American Women's Voluntary Services, Chicago, Illinois.
10. Mrs. Odette Simonson, Wife of Air Defense Officer, State of Wisconsin, Milwaukee, Wisconsin.
11. Mrs. Margaret Sopocko, Treasurer, American Women's Voluntary Services, Chicago, Illinois.
12. Mrs. Virginia Thomas, Clerk-Treasurer, City of Portage, Portage, Indiana.
13. Mrs. Mary Woods, Wife of Village President, Arlington Heights, Illinois.

ESCORTS

1. Colonel George F. Charlton, Commanding Officer, 45th Artillery Brigade, Escort Officer.
2. 2d Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade, Assistant Escort Officer.

MASSACHUSETTS AUSA OPERATION UNDERSTANDING, OCTOBER 31-NOVEMBER 2, 1968

GUEST LIST

1. Honorable Thaddeus Buczko (Maj., USAR), The Auditor, Commonwealth of Massachusetts, Salem, Massachusetts.
2. Mr. Myron B. Harmon, Jr. (Cpt., Mass. ARNG), Manager, Myron B. Harmon & Associates, Ins. Agency, Arlington, Massachusetts.
3. Mr. Robert Hawes (Col., USAR, Ret.), Sales Manager, Pittsburgh Plate Glass Corp., Needham, Massachusetts.
4. Mr. John J. Higgins III, Pres., Middlesex Electronics Company, Sec. & Treas., Realty Trust Corp. of Middlesex County, Melrose, Massachusetts.
5. Mr. William McGonagle (BG, USAR, Ret.), Vice Pres., State Street Bank & Trust Company, Past Vice Pres., Mass. Bay Chapter, AUSA, Lexington, Massachusetts.
6. Mr. Robert Mishol, Assistant Treasurer, University of Massachusetts, Ludlow, Massachusetts.
7. Mr. Robert A. Nelson (Lt., U.S. Coast Guard Reserve), Founder & Partner, Robert

Lawrence Productions, Inc., Manager, Scott Group, Brighton, Massachusetts.

8. Mr. Chester A. Parkhurst (Col., USAR, Ret.), General Contractor, Treas., Mass. Bay Chapter, AUSA, Georgetown, Massachusetts.
9. Mr. William Richards, Assistant Dean of Men, University of Massachusetts, South Deerfield, Massachusetts.
10. Mr. John Siegrist, Assistant Director of Placement and Financial Aid, University of Massachusetts, Amherst, Massachusetts.
11. Mr. Robert Smith, Director, Community Action Program for Cape Cod and the Islands, Former Admin. Ass't to the Pres. of Mass. Senate, Former Director of Labor Relations, U. of Mass., Osterville, Massachusetts.
12. Mr. Arthur Warren, University Food Service, Manager of Food Services Department, University of Massachusetts, Amherst, Massachusetts.
13. Mr. John J. West (Cpt., ANG, Mass.), Administrative Assistant, Massachusetts National Guard, Sec., Mass. Bay Chapter, AUSA, Melrose, Massachusetts.

ESCORTS

1. Colonel Charles A. Wilson, Jr., Deputy Commanding Officer, 52d Artillery Brigade (AD), Escort Officer.
2. 1st Lieutenant Richard R. Galaty, Commanding Officer, Headquarters & Headquarters Battery, 24th Artillery Group, Assistant Escort Officer.

MISSOURI NATIONAL GUARD OPERATION UNDERSTANDING, OCTOBER 31-NOVEMBER 2, 1968

GUEST LIST

1. BG Robert E. Buechler, Attorney-at-Law, St. Louis, Missouri.
2. Mr. Donald L. Campbell, Vice President, Exchange National Bank, Jefferson City, Missouri.
3. Mr. Vincent J. Correnti, Attorney-at-Law, St. Louis, Missouri.
4. Mr. Kenneth Cruse, PIO, Civil Defense Office, Jefferson City, Missouri.
5. Mr. I. A. ("Ash") Goodson, Lumberman, Grant City, Missouri.
6. Mr. Jeff D. Lance, Attorney-at-Law, St. Louis, Missouri.
7. Mr. John J. Lynch, Auditor, Department of Revenue, St. Louis, Missouri.
8. Col. H. A. Meyers, Operations & Training Officer, Office of Adjutant General, State of Missouri, Jefferson City, Missouri.
9. Lt. Col. William G. Patterson, Comptroller, Jefferson City, Missouri.
10. Rev. James L. Pennington (LtC, Chaplain, USAR), Pastor, Community Christian Church, Jefferson City, Missouri.
11. Honorable Jack P. Pritchard, Judge, Missouri Supreme Court, Jefferson City, Missouri.
12. Mr. Benjamin J. Pugh, Dean of Students, Lincoln University, Jefferson City, Missouri.
13. Mr. James L. Rackers, Principal, Hellas High School, Jefferson City, Missouri.
14. Honorable Joe F. Rains, Missouri House of Representatives, Sedalia, Missouri.
15. Mr. Clifford L. Rates, Assistant Vice President, Kansas City Life Insurance Company, Kansas City, Missouri.
16. Lt. Col. William E. Schofield, 139th Military Airlift Group, St. Joseph, Missouri.
17. Mr. Gregory C. Stockard, Attorney-at-Law, Jefferson City, Missouri.
18. Lt. Col. Harry G. Thomson, Jr., 139th Military Airlift Group, St. Joseph, Missouri.
19. Mr. Harold G. VanSickle, Electrical Engineer, Robins Lightning Protection Co., Mayor of Maryville, Maryville, Missouri.
20. Mr. Milo H. Walz, Walz Furniture Company, Jefferson City, Missouri.
21. Mr. Jackson A. Wright, General Counsel, Missouri University, Columbia, Missouri.

ESCORTS

1. Colonel Walter C. Wilson, State Air Defense Officer, Escort Officer.
2. Major Russell E. Rhoads, Staff Admin-

istrative Assistant, 135th Artillery Group, MoARNG, Assistant Escort Officer.

3. CW3 Joseph D. Driver, Sr., Staff Administrative Specialist, Office of Adjutant General, State of Missouri, Assistant Escort Officer.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Carriers for Public Affairs Purposes.

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

Col. LANE CARLSON,
Deputy Chief, Policy & Plans Division
(For the Chief of Information).

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

14-16 Nov 68, Newark, N.J., to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, VT-29, Operation Understanding.

14-16 Nov 68, McChord AFB, Wash. to Fort Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl. 2, C-131, Operation Understanding.

21-23 Nov. 68, New York to Fort Bliss, Tex., White Sands, N. Mex., Incl 3, C-97, Operation Understanding.

NEW JERSEY-NEW YORK OPERATION UNDERSTANDING, NOVEMBER 14-16, 1968

GUEST LIST

1. Mrs. Irene Baker, Wife of Dr. Thomas Baker (Dentist), Yonkers, New York.
2. Miss Mary Anne Baker, Executive Secretary to President, CBS-TV, New York City, Yonkers, New York.
3. Mrs. Maria J. Dunham, Secretary and Treasurer, Dunham Tunnel and Excavation Corporation, New York, New York.
4. Mrs. Margaret Frooms, Lawyer, Frooms & Frooms, New York, New York.
5. Mrs. Ruth Hampton, Wife of Commanding General, 52d Artillery Brigade, Fort Hancock, New Jersey.
6. Mrs. Katherine Harrington, Women's Editor, Knickerbocker News, Albany, New York.
7. Mrs. Melissa Herrera, Wife of Director of Civil Defense, N.J. and Pa., Middletown, New Jersey.
8. Miss Consuelo Higuera, Assistant Vice President, Public Relations, Banco de Ponce, Bronx, New York.
9. Mrs. Grace McVey, Wife of Presbyterian Clergyman, Kingston, New York.
10. Mrs. Ruth Page, Wife of Vice President, New York Life Insurance Co., Exec. Director of N.J. Federation of Dist. Boards of Ed., Trenton, New Jersey.
11. Miss Margot Sherman, Senior Vice President and Assistant to the President, McCann-Erickson, Inc., New York, New York.

ESCORTS

1. Brigadier General Rex H. Hampton, Commanding General, 52d Artillery Brigade, Escort Officer.
2. Lieutenant Harold G. White, Aide-de-camp, 52d Artillery Brigade, Assistant Escort Officer.

SEATTLE OPERATION UNDERSTANDING, NOVEMBER 14-16, 1968

GUEST LIST

1. Major General George S. Cook (Retired), Attorney at Law, Cook, Flanagan and Berst, Vice President, Seattle Chamber of Commerce, Seattle, Washington.
2. Mr. Glen G. Courtney, Vice President,

National Bank of Commerce, Chairman, Armed Services Division, Seattle Chamber of Commerce, Seattle, Washington.

3. Mr. Donald K. Gallagher, Manager, Vashon Telephone Corporation, Member, Vashon Kiwanis Club, Burton, Washington.

4. Mr. Ralph R. Hearn, Deputy Manager, SENTINEL Implementation, Boeing Co., Boy Scouts of America, Bellevue, Washington.

5. Mr. Frank Ireton, President, Northshore First National Bank, Past President, Bothell Chamber of Commerce, Bothell, Washington.

6. Mr. Russell E. Jacobson, Deputy Fire Chief, Seattle, President, Magnolia Kiwanis Club, Seattle, Washington.

7. Mr. Roderick R. Kirkwood, Director of Engineering, John Graham & Company, Member, Seattle Chamber of Commerce, Seattle, Washington.

8. Mr. George R. Lee, Realtor, Jensen-Richards-Oliva, Real Estate and Insurance, Commander, Kingston Post, Veterans of Foreign Wars, Kingston, Washington.

9. Honorable Alfred E. Leland, Representative, State of Washington, Past Mayor, Kirkland, Washington, Redmond, Washington.

10. Mr. C. John Newlands, Attorney at Law, Eisenhower-Carlson-Newlands, Reha-Sinnitt, Former Director, Tacoma Chamber of Commerce, Tacoma, Washington.

11. Mr. Earl F. Reilly, Northwest Realty and Land Company, Member, Kingston Businessmen's Association, Kingston, Washington.

12. Mr. Charles A. Sparling, Jr., President, Ferrous Corporation, Past President, Bellevue Chamber of Commerce, Bellevue, Washington.

13. Mr. William R. Willingham, Owner and Manager, Vashon Drug Store, Past President, Vashon Kiwanis Club, Burton, Washington.

ESCORTS

1. Colonel Charles W. Ennis, Commanding Officer, 49th Artillery Group (AD), Escort Officer.

2. 1st Lieutenant Mark E. Smith, Adjutant, 49th Artillery Group (AD), Assistant Escort Officer.

NEW YORK OPERATION UNDERSTANDING NOVEMBER 21-23, 1968

GUEST LIST

1. Mr. John R. Alexander, Manager, Plant Facilities, General Electric Company, Schenectady, N.Y., Scotia, New York.

2. Major General John C. Baker, Vice Chief of Staff to the Governor, Division of Military & Naval Affairs, Albany, New York.

3. Mr. Clifford B. Campbell, Real Estate Broker, Jamaica, New York.

4. Mr. Oswald Chambers, Supervisor, Display Section, Advertising Department, Brooklyn Union Gas Company, Valley Stream, New York.

5. Honorable Louis DeSalvio, New York State Assemblyman, New York, New York.

6. Mr. Richard C. Dewey, President, R. C. Dewey, Inc., Dewey Bldg. Systems, Inc., Kenmore, New York.

7. Mr. James J. Drislane, Lawyer, Albany, New York.

8. Mr. Roger Fay, Assistant to Town Board, Town of North Hempstead, Manhasset, N.Y., Williston Park, New York.

9. Honorable William R. Fleischer, Mayor, Village of East Hills, East Hills, New York.

10. Commander Edward G. Gisburne, Assistant Executive Officer, Logistics, New York Naval Militia, Albany, New York.

11. Dr. Chester P. Gior, Jr., Dentist, Buffalo, N.Y., Tonawanda, New York.

12. Honorable Stephen R. Greco, New York State Assemblyman, Buffalo, New York.

13. Mr. John J. Gustafson, General Manager, Keeler's Restaurant, Albany, New York.

14. Major Lloyd E. Haas, S-3, 1st Battalion, 244th Artillery, NYARNG, Roslyn, New York.

15. Mr. Hugh K. C. Hayward, Manager, Facilities Division, Union Carbide Corporation, Linde Division, Tonawanda, N.Y., Buffalo, New York.

16. Mr. John Hekker, Lawyer, Nyack, N.Y., Johnson & Hekker, South Nyack, New York.

17. Mr. John W. Houck, Assistant Vice President, Manufacturers & Traders Trust Company, Grand Island, New York.

18. Honorable Prescott B. Huntington, New York State Assemblyman, Smithtown, New York.

19. Mr. Jess Kaplan, President, MAC Development Corporation, New City, N.Y., Nanuet, New York.

20. Mr. Goodwin D. Katzen, Executive Director, Rockland County Center for the Physically Handicapped, New City, New York.

21. Mr. Wallace L. Kowalewski, Vice President, Colecraft Corporation, Lancaster, N.Y., Williamsville, New York.

22. Honorable Stanley Krause, Mayor, Inc. Village of Mineola, Mineola, New York.

23. Honorable Dalton R. Miller, Mayor, Hempstead, Hempstead, New York.

24. Mr. Arnie C. Mortensen, Assistant Superintendent of Schools, Kenmore, New York.

25. Mr. Alexander Mrozek, Operations & Training Officer, Consolidated Erie County Office of Civil Defense, Emergency Operations Center, Orchard Park, N.Y., Lancaster, New York.

26. Mr. William Schrauth, Attorney, Jamaica, N.Y., Rockville Centre, New York.

27. Mr. James A. Stiles, Vice President, Williams Press, Inc., Albany, N.Y., Loudonville, New York.

28. Mr. Donald E. Stone, President & Chief Executive Officer, Farmers National Bank, Malone, New York.

29. Dr. John H. Stone, Assistant Commissioner, New York State Department of Agriculture and Markets, Albany, New York.

30. Mr. Lewis A. Swyer, President, L. A. Swyer & Company, General Contractors, Albany, New York.

31. Dr. Fred A. Tuthill, Superintendent of Schools, Lancaster, N.Y., Depew, New York.

32. Lieutenant Colonel Floyd M. White, Air Defense Officer, Division of Military & Naval Affairs, Albany, New York.

33. Mr. Cliff Williams, Director of Purchasing, Town of North Hempstead, Manhasset, N.Y., Mineola, New York.

34. Mr. Allen Y. Zack, Reporter, Buffalo Evening News, Buffalo, N.Y., Depew, New York.

Escorts

1. Colonel Charles J. McClure, Deputy Chief of Staff, Headquarters, New York Army National Guard, Escort Officer.

2. Colonel John H. Cochran, Jr., G-4, 1st Region, ARADCOM, Stewart AFB, Assistant Escort Officer.

U.S. ARMY MATERIEL COMMAND, Washington, D.C., December 6, 1968.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25)

To: Chief of Information, Department of the Army, Washington, D.C.

Forwarded per reporting requirement (RCS CINFO-25).

For the commander:

WILLIAM H. MESSENGER,
Chief, Community Relations Information Office.

DEPARTMENT OF THE ARMY, HEADQUARTERS, LEXINGTON-BLUE GRASS ARMY DEPOT, Lexington, Ky.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25)

Attn: AMCIN-CR.

COMMANDING GENERAL,
U.S. Army Materiel Command,
Washington, D.C.:

1. Reference AMCR 360-5, dated March 5, 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University, R.O.T.C.,

Richmond, Kentucky, requested the following vehicles to transport equipment and cadets:

[Equipment, origin, destination, and date]

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Ky., 7 Nov 68.

Bus, Richmond, Ky., to Cumberland, Ky., 9 Nov 68.

Truck 2½ ton (5), Richmond, Ky., to Richmond, Ky., 10 Nov 68.

Carryall, Richmond, Ky., to Harrodsburg, Ky., 11 Nov 68.

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Ky., 19 Nov 68.

*Tractor w/flatbed, Richmond, Ky., to Richmond, Ky., 23 Nov 68.

*(This was utilized as a reviewing stand for Military Day activities.)

3. Lieutenant Commander L. M. Lavin, requesting officer, for the U.S. Naval and Marine Corps Reserve Training Center, Lexington, Kentucky, utilized the following vehicles to transport personnel:

[Equipment, origin, destination, and date]

Bus (2), Lexington, Ky., to Winchester, Ky., 9-10 Nov 68.

For the commander:

Lt. Col. JOHN P. FOLEY,
Dir. for Administration.

Memorandum for: Assistant Secretary of Defense (public affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 6435.2 under the provisions of RCS DD-PA (M) 591.

For the chief of information:

Col. LEONARD P. DILEANIS,
Deputy Chief,
Policy & Plans Division.

DEPARTMENT OF THE ARMY, HEAD- QUARTERS, 4TH U. S. ARMY, Fort San Houston, Tex.

Subject: Nonlocal Travel for Community Relations Purposes (RCS CINFO-25).

CHIEF OF INFORMATION,
Department of the Army,
Washington, D.C.

1. Reference: Para 27b, AR 360-5.

2. The following report for January 1969 is submitted:

a. Marshall D. Hamilton, Hamilton Tire Service, Chairman, Military Affairs Committee; Al Jarrell, District Manager, Texas Power & Light Co.; Pennie Adkins, Grantham-Adkins Insurance; Carroll Davis, District Manager, Southwestern Bell Telephone Co.; Bill Houghton, co-publisher, Mineral Wells Index; Frank Myers, Vice President, City National Bank; Orval W. Shore, Shore-Hull Insurance; Carl Kessler, Ed Lee Chevrolet Co.; Perry Horton, President, City National Bank; Paul Schneider, President, Mineral Wells Savings & Loan Association; George O'Neal, O'Neal Distributing Co.; Bob Upham, Independent Oil Operator; Bill Echols, Rancher; Elwood Hamilton, Weatherford tire merchant.

b. Fort Wolters, Texas to Fort Rucker, Alabama and return.

c. C-47H, organic to Fort Wolters.

d. Operation Understanding tour for Military Affairs Committee members of Mineral Wells, Weatherford and Breckenridge Chambers of Commerce.

For the commander:

1st Lt. B. A. GILES.

MARCH 11, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed report, subject as above, is submitted in accordance with Section IX,

DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
Colonel, GS, Acting Chief, Policy and Plans Division.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, Colo.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

30 Jan-1 Feb 69, Trenton, N.J., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, C-121, Operation Understanding.

13-15 Feb 69, Cincinnati-Dayton, Ohio, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, VT-29D, Operation Understanding.

13-15 Feb 69, Salt Lake City, Utah, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, C-131D, Operation Understanding.

27-28 Feb 69, Sacramento, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, 2 C-131's, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS
Information Officer.

NEW JERSEY OPERATION UNDERSTANDING, JANUARY 30-FEBRUARY 1, 1969

GUEST LIST

1. Mrs. Angeline Brigiani, Educator, Woodbridge School System, Woodbridge, N.J., Jamesburg, N.J.

2. Mrs. Mary B. Burch, Founder-Director, The Leaguers, Inc., Civic and Cultural Center, Newark, N.J.

3. Mrs. Lillian M. Carbin, Chairman, Federated Woman's Club of New Jersey, East Brunswick, N.J.

4. Mrs. Doris W. Dealaman, Freeholder, Somerset County Board of Chosen Freeholders, Somerville, N.J., Bernardsville, N.J.

5. Dr. Margery Somers Foster, Dean of the College, Douglas College, Rutgers, The State University, New Brunswick, N.J.

6. Mrs. Marion E. Glendinning, President, Department of N.J., Ladies Auxiliary, Veterans of Foreign Wars of the U.S., Trenton, N.J., Guttenberg, N.J.

7. Mrs. Fern A. Gordon, President, N.J., Congress of Parents and Teachers, Trenton, N.J., Bayonne, N.J.

8. Mrs. Adrienne M. Hayling, Member, Board of Directors, Helene Fuld Hospital, Trenton, N.J.

9. Mrs. Dorothy A. Hill, Wife of Colonel Raymond J. Hill, State Air Defense Officer, HHD, New Jersey National Guard, Trenton, N.J.

10. Mrs. Bessie Himmelstein, Secretary-Treasurer, Capitol Motors, Inc., Trenton, N.J.

11. Mrs. Dorothea T. Lamon, Secretary, Walter D. Lamon Co., Real Estate and Insurance, Cinnaminson, N.J., Riverton, N.J.

12. Miss Mildred C. Larason, County Clerk of Hunterdon Co., Flemington, N.J., Lambertville, N.J.

13. Mrs. Mary R. MacGibeny, Executive Assistant to the Chairman, Department of Health and Physical Education, Glassboro State College, Glassboro, N.J., Clayton, N.J.

14. Mrs. Gertrude P. McCafferty, Assistant Chief Nurse, American Red Cross Blood Mobile, Philadelphia, Pa., Glenside, Pa.

15. Mrs. Mildred McLean, President, N.J. Federation of Business & Professional Women's Club, Summit, N.J., Advertising Production Manager, Silver Burdett Co., Text Book Publishers, Morristown, N.J., Summit, N.J.

16. Mrs. Regina H. Meredith, Freeholder, Mercer Co. Board of Chosen Freeholders, Trenton, N.J., Pennington, N.J.

17. Mrs. Minerva Navatto, Surrogate of Hunterdon County, Flemington, N.J.

18. Dr. Evelyn M. Reade, Coordinator, Graduate Studies, Glassboro State College, Glassboro, N.J., Pitman, N.J.

19. Miss Nancy J. Robertson, Assistant Director, Public Relations, Middle Atlantic District, United States Steel Corp., Fairless Hills, Pa., Levittown, Pa.

20. Mrs. Helen D. Sickie, President, Dept. of N.J., American Legion Auxiliary, Long Valley, N.J.

21. Miss Ramona Smith, Correspondent and Reporter, Trenton Evening Times, Trenton, N.J.

22. Mrs. Mary Steen, Member, Morrisville Women's Club, Morrisville, Pa.

23. Mrs. Dorothy D. Sullivan, Secretary and General Manager, David B. Marshall Company, Real Estate and Insurance, East Brunswick, N.J.

24. Miss Agnes V. Thompson, Principal, A. Harry Moore Laboratory School of N.J. State College, Jersey City, N.J.

25. Miss Vivian M. Titus, National Vice President, Eastern Division, American Legion Auxiliary, Paterson, N.J.

26. Mrs. Constance Woodruff, Director of Community Relations, International Ladies Garment Workers' Union, Newark, N.J.

27. Mrs. Margaret I. Young, Wife of Colonel James E. Young, President, Army & Air Nat'l Guard Ass'n of N.J., Trenton, N.J., Spring Lake Heights, N.J.

ESCORTS

1. Major General James F. Cantwell, The Chief of Staff, Department of Defense, State of New Jersey, HHD, NJARNG, Escort Officer.

2. Colonel Raymond J. Hill, State Air Defense Officer, HHD, NJARNG, Assistant Escort Officer.

3. Colonel Donald H. McConnell, Senior Adviser, U.S. Army Advisory Group, N.J. Army National Guard, Assistant Escort Officer.

4. Colonel James E. Young, President, Army & Air Nat'l Guard Ass'n of N.J., Assistant Escort Officer.

5. Major Robert K. Kroesen, Information Officer, Department of Defense, State of New Jersey, Assistant Escort Officer.

6. Captain James F. Cantwell, Jr., Aide to Chief of Staff, Department of Defense, State of New Jersey, HHD, NJARNG, Assistant Escort Officer.

7. 2d Lieutenant Rodney A. McNelley, Executive Officer, Btry D, 7th Bn (HERC) 112th Arty, NJARNG, Assistant Escort Officer.

8. CWO W-2 William H. Stephens, Administrative Assistant to Director of Personnel, Department of Defense, State of New Jersey, HHD, NJARNG, Assistant Escort Officer.

CINCINNATI-DAYTON OPERATION UNDERSTANDING, FEBRUARY 13-15, 1969

GUEST LIST

1. Mr. David Adair, Owner, Adair Furniture Stores, Wilmington, Ohio.

2. Mr. Fred Bennett, President, Bennett Metal Products Company, Wilmington, Ohio.

3. Mr. Victor Cassino, President, Cassano Pizza Kings, Kettering, Ohio.

4. Mr. Andrew M. Cassells, Reporter-Photographer, WHD-TV, Dayton, Ohio.

5. Mr. John H. Elfiring, Resident Plant Manager, Cincinnati Lathe and Tool Co., Wilmington, Ohio.

6. Mr. Jimmie D. Fawley, Vice President and General Manager, National Gear Corporation, Wilmington, Ohio.

7. Mr. Charles S. Helldoerfer, President, Helldoerfer-Castellini, Inc., Dayton, Ohio.

8. Mr. Bruce Miller, Owner, Aurora Shell Oil Company, Aurora, Indiana.

9. Mr. Henry G. Nanz, Partner, Southeastern Supply Co., Lawrenceburg, Indiana.

10. Mr. Alexander Raizk, President, Wilmington Iron and Metal Company, Wilmington, Ohio.

11. Mr. B. E. Schalnatt, President, Wilmington Pattern Works, Wilmington, Ohio.

12. Mr. Donald Walston, Owner, Chrysler-Plymouth Dealership, Versailles, Indiana.

13. Mr. Burch Williamson, Vice President and General Manager, Wilmington Controls Division of Ledex, Inc., Wilmington, Ohio.

ESCORTS

1. Colonel Berkeley S. Gillespie, Jr., Commanding Officer, 88th Artillery Group, Escort Officer.

2. 2d Lieutenant Ronald A. Johnson, Information Officer, 88th Artillery Group, Assistant Escort Officer.

SALT LAKE CITY OPERATION UNDERSTANDING, FEBRUARY 13-15, 1969

GUEST LIST

1. Mr. B. Lue Bettilyon, President, Salt Lake Rotary Club, President, Bettilyon Construction and Mortgage Loan Co., Salt Lake City, Utah.

2. Dr. Melvin Cook, Assistant General Manager, IRECO Chemicals, Salt Lake City, Utah.

3. Mr. Loren D. Gergens, Utah Plant Manager, Mountain States Telephone Company, Salt Lake City, Utah.

4. Mr. Norman A. Green (M/Chief, USN-Ret.), Public Information & Procurement Specialist, Utah State Board for Vocational Education, Salt Lake City, Utah.

5. Mr. Robert Halliday, Reporter, Salt Lake City Tribune, Salt Lake City, Utah.

6. Mr. Oscar Hanson, Jr., Commissioner, Chairman, Salt Lake County Commission, Salt Lake City, Utah.

7. Mr. McCown E. Hunt, President and Chairman of the Board, Salt Lake County Civic Auditorium, Partner & Consulting Engineer, Folsom and Hunt, Salt Lake City, Utah.

8. Mr. Vernon F. Jorgensen, Director, City Planning Commission (representing Mayor), Salt Lake City, Utah.

9. Mr. J. Hal Knight, Science Editor, Deseret News, Salt Lake City, Utah.

10. Mr. Richard H. Schubach, President, Retail Merchants Association Salt Lake City, Co-owner, Standard Optical Company, Salt Lake City, Utah.

11. Mr. Elmer J. Smith, Manager, Regional Office, Veterans' Administration, Salt Lake City, Utah.

ESCORTS

1. Maj. Gen. James R. Winn, Commanding General, 6th Region, ARADCOM, Escort Officer.

2. Colonel Alan B. White, Deputy Commander, 6th Region, ARADCOM, Assistant Escort Officer.

3. Captain Vernon L. Conner, Aide-de-Camp to Commanding General, 6th Region, ARADCOM, Assistant Escort Officer.

CALIFORNIA OPERATION UNDERSTANDING, FEBRUARY 27-28, 1969,

GUEST LIST

1. Colonel Richard E. Adams, Commanding Officer, Office of the Senior Army Adviser, California Army National Guard, Sacramento, California.

2. Major Jack D. Aldridge, Military Department, State of California, Sacramento, California.

3. Mr. Bud Baird, Chairman, Aviation Committee, Fresno Chamber of Commerce, Owner, National Car Rental, Fresno, California.

4. Mr. Robert Baker, Director, Information Services & Special Events Section, Chief, Administrative Office, City of Los Angeles, Los Angeles, California.

5. Mr. John Black (CPT, USNR), President, Sacramento Chamber of Commerce, Sacramento, California.

6. Mr. Roy T. Brophy, Director of Sacramento Chamber of Commerce, Partner, Gannon-Brophy Developers, Fair Oaks, California.

7. Dean Harold R. Brumbaum, Rector, Christ's Church, Portola Valley, California.

8. Mr. Elmer Cranmer, Principal, DeWolfe School, Fresno, California.

9. Colonel R. H. Denison, Base Detachment Commander, Van Nuys Air Nat'l Guard Base, California Air National Guard, Van Nuys, California.

10. Mr. Merritt S. Dunlap, General Building Contractor, President, Glendale Community Chest, Glendale, California.

11. Lieutenant Colonel Robert S. Ford, Inspector General, Military Department, California Army National Guard, Sacramento, California.

12. Major General George W. Edmonds, Chief of Staff, California Air National Guard, Sacramento, California.

13. Colonel Milton R. Graham, Commanding Officer, 144th Air Defense Wing, California Air National Guard, Fresno, California.

14. Mr. Charles R. Greenstone, President, Lake Merced Country Club, Owner, Variety Store Chain, San Francisco, California.

15. Major Thomas R. Jennings, California Air National Guard, Sacramento, California.

16. Assemblyman Ray E. Johnson, California Legislature, Sacramento, California.

17. Mr. John P. Knox, Chief of Patrol Division, West Los Angeles County Sheriff's Department, Los Angeles, California.

18. Mr. Melvyn D. Lee, Chairman, Bd. of Economic Opportunity Commission, Chinatown, Vice President, Automatic Sprinkler Company, San Francisco, California.

19. Lieutenant Colonel Walter C. Leonardo, 144th Air Defense Wing, California Air National Guard, Fresno, California.

20. Mr. Billie Matthes, Owner, Matthes Men's Wear Store, Secretary of Republican Council for California, Sherman Oaks, California.

21. Assemblyman Ernest E. Mobley, California Legislature, Sacramento, California.

22. Mr. Charles Nobbe, Chairman, Military Affairs Committee, Fresno City-County Chamber of Commerce, Vice President, Crocker Citizens Bank, Fresno, California.

23. Chief Warrant Officer, Erik O. Petersen, Assistant Information Officer, Military Department, California Army National Guard, Sacramento, California.

24. Mr. Robert I. Rosen, Member, Defense and Space Committee, Los Angeles Chamber of Commerce, TRW Systems of Los Angeles, Los Angeles, California.

25. Assemblyman Peter F. Schabarum, California Legislature, Sacramento, California.

26. Senator Lewis F. Sherman, California Legislature, Sacramento, California.

27. Mr. William T. Shultz, Chairman, Defense and Space Committee, Los Angeles Chamber of Commerce, Garrett Air Research Corporation, Los Angeles, California.

28. Mr. Carl A. Slackman, Office of Administration, Military Department, California Army National Guard, Sacramento, California.

29. Mr. Albert J. Talkin, Vice Mayor of Sacramento, Sacramento, California.

30. Captain Robert C. Thrasher, Military Department, State of California, Sacramento, California.

31. Mr. Joseph E. Turnage, Board of Directors, Hollywood Chamber of Commerce, Vice President, Merchants Ass'n of Pasadena, Board of Directors, Pasadena Rotary Club, Pasadena, California.

32. Brigadier General Thomas K. Turnage, Deputy Adjutant General, Army Division, California Army National Guard, Sacramento, California.

33. Lieutenant Colonel Jack L. Walker, Chief, Materiel Branch, California Air National Guard, Sacramento, California.

34. Lieutenant Colonel Andrew G. Wolf, Jr., Information Officer, Military Department, California Army National Guard, Sacramento, California.

ESCORTS

1. Lieutenant Colonel Girven F. Erickson, State Air Defense Officer, California Army National Guard, Escort Officer.

2. Lieutenant Colonel Neil E. Allgood, Com-

manding Officer, 4th Battalion, 251st Artillery, California Army National Guard, Assistant Escort Officer.

3. Lieutenant Colonel Angelo C. Liberato, Commanding Officer, 1st Battalion, 250th Artillery, California Army National Guard, Assistant Escort Officer.

APRIL 2, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
Colonel, GS, Deputy Chief,
Policy and Plans Division.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM Information Office, Ent AFB, CO.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]

6-8 Mar 69, Stewart AFB, N.Y., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 1, VT-29, Operation Understanding.

6-8 Mar 69, Niagara-Buffalo, N.Y., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 2, T-29, Operation Understanding.

6-8 Mar 69, Boston, Mass., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 3, T-29, Operation Understanding.

13-15 Mar 69, Ft. Monmouth, N.J., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 4, T-29, Operation Understanding.

20-22 Mar 69, Columbus, Ohio, to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 5, C-54, Operation Understanding.

20-22 Mar 69, Chicago, Ill., to Ft. Bliss, Tex., White Sands, N.Mex., Ent AFB, Colo., Incl 6, T-29, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS,
Information Officer.

NEW YORK OPERATION UNDERSTANDING, MARCH 6-8, 1969

GUEST LIST

1. Major General Melville Coburn (Host), Commanding General, 1st Region ARADCOM, Stewart AFB, Newburgh, New York.

2. Mr. Michael Peter Dillon, Vice President, Chestnutt Management Corporation, Greenwich, Connecticut.

3. Mr. Benjamin Feit, Vice President, Manufacturers Hanover Trust Company, New York, New York.

4. Mr. George Hibner, Business Manager, New York Telephone, Newburgh, New York.

5. Mr. Theodore Maurer, City Manager, Newburgh, Newburgh, New York.

6. Mr. Frank H. McIntosh, President, McIntosh Laboratory, Binghamton, New York.

7. Hon. George F. McKneally, Mayor, Newburgh, Newburgh, New York.

8. Mrs. David J. Morris (Frances), President, American Association of University Women, Cornwall, New York.

9. Mrs. Ira Newman (Isabella), Member, Citizens Advisory Council of Washingtonville, Washingtonville, New York.

10. Dr. Robert Rakov, President, Medical Society of Orange County, Maybrook, New York.

11. Mr. Dennis Richards, Program Director, Radio Station WINF, Manchester, Connecticut.

12. Mr. Francis U. Ritz, Assistant to General Manager for Community Relations, IBM, Poughkeepsie, Poughkeepsie, New York.

13. Mr. Louis Voerman, General Manager, IBM, Poughkeepsie, Poughkeepsie, New York.

ESCORTS

1. Major George E. Powell, Information Officer, 1st Region, ARADCOM, Escort Officer.

2. Captain, Timothy M. O'Mara, Aide-de-camp to General Coburn, 1st Region ARADCOM, Assistant Escort Officer.

3. 1st Lieutenant Newell A. Miller, Jr., 1st Region, ARADCOM, Assistant Escort Officer.

NIAGARA-BUFFALO OPERATION UNDERSTANDING, MARCH 6-8, 1969

GUEST LIST

1. Mrs. Ralph A. Boniello (Dorothea), Wife of member of law firm, Boniello, Gellman, McNulty, Halpern & Anton, Niagara Falls, New York.

2. Mrs. Charles R. Clark (Margaret), Free Lance Writer, Niagara Falls, New York.

3. Mr. Edgar Conant, Plant Manager, Stauffer Chemical Company, Niagara Falls, New York.

4. Hon. Donald L. Creasey, Mayor, City of Tonawanda, Tonawanda, New York.

5. Father Joseph G. Dunne, Executive Vice President, Niagara University, Niagara Falls, New York.

6. Mrs. Albert Elia (Ann), Wife of President, Elia Construction Company, Niagara Falls, New York.

7. Mrs. Anne McIlhenney Matthews, Feature Writer, Buffalo Courier Express, Buffalo, New York.

8. Hon. Jane B. Moxham, Judge, Town of Wilson, Wilson, New York.

9. Rev. Robert H. Rowsam, Minister, Emanuel Methodist Church, Lockport, New York.

10. Mr. John E. Runals, President, Niagara Falls Area Chamber of Commerce, Niagara Falls, New York.

11. Mrs. Oliver D. Street (Kathleen), Hostess for ladies, Wife of Commanding Officer, 18th Artillery Group, Lockport AFS, New York.

ESCORTS

1. Colonel Oliver D. Street, III, Commanding Officer, 18th Artillery Group (AD), Escort Officer.

2. 2d Lieutenant Harry Graham, Information Officer, 18th Artillery Group (AD), Assistant Escort Officer.

NEW ENGLAND OPERATION UNDERSTANDING, MARCH 6-8, 1969

GUEST LIST

1. Mr. Arthur Brownell, Commissioner, Department of Natural Resources, Canton, Massachusetts.

2. Brigadier General William T. Burgoyne, Assistant Division Commander, 26th Yankee Division, Massachusetts Army National Guard, Malden, Massachusetts.

3. Mr. Edward Carlson, Selectman, North Reading, North Reading, Massachusetts.

4. Mr. James Fletcher, Road Commissioner, Town of Lynnfield, Lynnfield, Massachusetts.

5. Mr. Herbert L. Jackson, Counselor-at-Large, Malden, Malden, Massachusetts.

6. Hon. Walter Kelleher, Mayor of Malden, President of League of Cities and Towns, Malden, Massachusetts.

7. Mr. Jerry Francis Mahoney, Assistant Postmaster, Town of Ansonia, Ansonia, Connecticut.

8. Mr. Joseph Maney, Selectman, Lynnfield, Lynnfield, Massachusetts.

9. Mr. Richard E. Mastrangelo, Assistant Attorney General, Commonwealth of Massachusetts, Selectman, Town of Watertown, Watertown, Massachusetts.

10. Mr. J. Wesley Peck, Account Executive, WPRO Radio, Providence, Rhode Island, Seekonk, Massachusetts.

11. Mr. Donald Roberts, Owner, County Real Estate, Former Selectman, North Reading, North Reading, Massachusetts.

12. Mr. James Skinner, Vice President, Massachusetts Selectman's Association,

Chairman, Marblehead Board of Selectmen, Marblehead, Massachusetts.

13. Mr. Richard Taffe (LTC, USA-Ret.), Editor, Lowell Sun, Lowell, Massachusetts, Chelmsford, Massachusetts.

14. Mr. Harry Wendt, Selectman, Lynnfield, Lynnfield, Massachusetts.

ESCORTS

1. Colonel Harry D. Latimer, Commanding Officer, 24th Artillery Group (AD), Escort Officer.

2. 2d Lieutenant Robert E. Malicki, Information Officer, 24th Artillery Group (AD), Assistant Escort Officer.

NEW JERSEY OPERATION UNDERSTANDING, MARCH 13-15, 1969, GUEST LIST

1. Mr. Edward M. Ambler, Manager, Coast Division, Jersey Central Power & Light Company, Interlaken, New Jersey.

2. Hon. Joseph Azzolina (LCDR, USNR), New Jersey Assemblyman (R-Monmouth County), Middletown, New Jersey.

3. Colonel John W. Ervin, Chief of Staff, U.S. Army Electronics Command, Fort Monmouth, New Jersey.

4. Mr. William I. Klatsky, Attorney-at-Law and Municipal Court Judge, Red Bank, New Jersey.

5. Major General William B. Latta, USA, Commanding General, U.S. Army Electronics Command and Fort Monmouth, Fort Monmouth, New Jersey.

6. Mr. Kendall H. Lee, Executive Director, Monmouth-Ocean Development Council, Vice President, Monmouth Electric Company (Mfr.), West Allenhurst, New Jersey.

7. Mr. Harry Luftman (LTC, USA-Ret.), Real Estate Consultant, Former Director, New Jersey Housing Authority, Chairman, Board of Directors, Fort Monmouth Chapter, AUSA, Lincroft, New Jersey.

8. Mr. Kenneth J. Macdonald, Jr., Assistant Vice President, Monmouth County National Bank, Secretary, Fort Monmouth Chapter, AUSA, New Shrewsbury, New Jersey.

9. Mr. Richard C. Weisman, Manager and Director of Public Relations, Monmouth Shopping Center, Eatontown, New Jersey.

10. Hon. Herbert E. Werner, Mayor, Borough of Eatontown, Eatontown, New Jersey.

ESCORTS

1. Mr. Leonard Rokaw, Information Officer, U.S. Army Electronics Command, Board of Directors, Fort Monmouth Chapter, AUSA, Escort Officer.

2. Captain Lawrence L. Purcell, Aide-de-Camp to Commanding General U.S. Army Electronics Command, Assistant Escort Officer.

OHIO OPERATION UNDERSTANDING, MARCH 20-22, 1969

GUEST LIST

1. Mr. Joseph Dahlstrom, Region Manager, General Mills, Inc., Cincinnati, Ohio.

2. Mr. Robert L. Evans, President, Bob Evans Farms, Inc., Route 2, Bidwell, Ohio.

3. Mr. Carl F. Graf, Vice President, Ohio National Bank, Columbus, Ohio.

4. Mr. Andy Holzappel, Consultant Work Room Analyst (Self-employed) Columbus, Ohio.

5. Mr. Thomas J. Hunter, Editor-General Manager, Wilmington News-Journal, Wilmington, Ohio.

6. Mr. Walter F. Johnson, President, Johnson Candy Company, Kenton, Ohio.

7. Mr. Fred C. Kaiser, Chairman of the Board, Franklin Federal Savings and Loan Association, Columbus, Ohio.

8. Mr. William D. Litano, President, Ohio Metallurgical Service, Inc., Elyria, Ohio.

9. Mr. Karl L. Livensparger, Assistant Vice President, The Ohio Bell Telephone Company, Cleveland, Ohio.

10. Mr. Herman L. Marte, President, Marte Pontiac, Inc., Columbus, Ohio.

11. Mr. Louis G. McGuire, Vice President

and General Manager, Hugh White Chevrolet Company, Columbus, Ohio.

12. Mr. Robert S. McKay, II, President, The Dean and Barry Company, Columbus, Ohio.

13. Mr. Frank E. Mianowski, Secretary of Police, City of Akron Police Department, Akron, Ohio.

14. Mr. Richard L. Payne, District Manager, Dayton Power and Light Company, Wilmington, Ohio.

15. Mr. Jean G. Peltier, Director of Commerce, State of Ohio, Columbus, Ohio.

16. Mr. Fred Rice, Registrar of Motor Vehicles, State of Ohio, Columbus, Ohio.

17. Mr. Harry Whiddon, Chief of Police, City of Akron, Akron, Ohio.

18. Mr. Joseph H. Wyman, Mayor of City of Grandview Heights, Ohio, Columbus, Ohio.

19. Mr. Howard R. Yocum, Vice President and Branch Manager, R. L. Yocum Realty Company, Lima, Ohio.

ESCORTS

1. Colonel Thomas A. Herzog, Air Defense Officer, The Adjutant General's Department, State of Ohio, Escort Officer.

2. Major Paul M. Grace, Deputy Group Commander, 88th Artillery Group (AD), Assistant Escort Officer.

3. CW4 Ray E. Swerlein, Air Defense Office, The Adjutant General's Department, State of Ohio, Assistant Escort Officer.

CHICAGO-MILWAUKEE OPERATION UNDERSTANDING, 20-22 MARCH 1969

GUEST LIST

1. Mr. Ernest P. Cutro, Reporter, Chicago's American Newspaper, Chicago, Illinois.

2. Mr. Floyd C. Engebretson, CPT, Special Assignment Squad, Milwaukee Police, Milwaukee, Wisconsin.

3. Mr. Thomas A. Engels, Owner, J. E. Engels Chevrolet-Pontiac, Mineral Point, Wisconsin.

4. Mr. A. Thomas Etcheson, President, Lake Shore National Bank, Chicago, Ill., Hinsdale, Illinois.

5. Mr. Cyril K. Fosse, Jr., Executive Supervisor of the National Food Stores, Vice President, Starr Container, Chicago, Illinois.

6. Mr. Timothy Galvin, Jr., President of Town Board, Munster, Indiana, Hammond, Indiana.

7. Mr. Harold E. Hands, Jr., Vice President, Marshall & Ilsley Bank, Milwaukee, Wisconsin.

8. Mr. Gene Kieffer, Service Manager for Ruby Chevrolet, Inc., Mequon, Wisconsin.

9. Hon. Arthur H. Olson, Mayor, City of Portage, Portage, Indiana.

10. Mr. James Page, President, Hoosier Realty, Munster, Indiana.

11. Mr. George Sonnenleiter, General Supervisor of Special Recreation, Chicago Park District, Chicago, Illinois.

12. Mr. Hyman M. Spector, Board Chairman, Lava Simplex Internationale, Inc., Chicago, Illinois.

13. Mr. Thomas Waterford, Director of Jackson Park, Chicago, Illinois.

ESCORTS

1. Lieutenant Colonel Wayne A. Mautz, Commanding Officer, 3d Battalion (HERC), 59th Artillery, Escort Officer.

2. 1st Lieutenant Richard J. Marcotullio, Information Officer, 45th Artillery Brigade, Assistant Escort Officer.

JUNE 11, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINPRO-25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Public Information:

E. C. RALEIGH,
Colonel, GS,
Chief, Policy and Plans Division.

MAY 23, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of military transportation for public information and community relations purposes (RCS CINPRO-25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Public Information:

For L. P. DILEANIS,
Colonel, GS,
E. C. RALEIGH,
Colonel, GS,
Chief, Policy and Plans Division.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, CO.

[Trip date, original, destination, type individual, type carrier and ownership, and purpose]

10-12 Apr 69, Homestead AFB, Fla., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, VT-29, Operation Understanding.

10-12 Apr 69, San Francisco, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 2, C-131, Operation Understanding.

17-19 Apr 69, New York-New Jersey, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 3, VT-29, Operation Understanding.

17-19 Apr 69, Los Angeles, Calif., to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 4, C-131, Operation Understanding.

24-26 Apr 69, Selfridge AFB, Mich. (Detroit), to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 5, VC-131, Operation Understanding.

24-26 Apr 69, Providence, R.I. (New England), to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 6, T-29, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS,
Information Officer.

MIAMI OPERATION UNDERSTANDING, APRIL 10-12, 1969

GUEST LIST

1. Dr. Jack H. Beckwith, Dental Surgeon, D.D.S., Miami, Florida.

2. Mr. E. Arthur Evans (General, USA-Ret.), President of the Board, Variety Children's Hospital, Miami, Florida.

3. Mr. William S. Frates, Attorney-at-Law, Frates, Fay, Floyd and Pearson, Miami, Florida.

4. Mr. Gerald W. Frawley, Executive Director, Variety Children's Hospital, Miami, Florida.

5. Mr. George C. Hoover, Executive Director, Variety Club International, South Miami, Florida.

6. Mr. J. S. Hudson, Assistant to the Vice President, Southern Bell Tel. and Tel. Company, Miami, Florida.

7. Mr. William M. Klein, Miami District Manager, Florida Power and Light Company, Miami, Florida.

8. Mr. William J. Miracle, Chapter Manager, American Red Cross, Miami, Florida.

9. Mr. A. M. Prado, Group Manager, South Florida Group, Sears Roebuck and Company, Miami, Florida.

10. Mr. John W. Prunty, Attorney-at-Law, Miami, Florida.

11. Mr. Jack S. Pym, Pym-Suchman Real Estate Company, Miami, Florida.

12. Mr. Wiley R. Reynolds, Jr., Executive Director, First National Bank of Palm Beach, Palm Beach, Florida.

13. Mr. William Singer, Member of the

Board, Royal Castle Restaurants, Miami, Florida.

14. Mr. Edward F. Swenson, Jr., Owner and Manager, Edward F. Swenson and Company, Miami, Florida.

ESCORTS

1. Colonel Frederick E. Roseman, Commanding Officer, 47th Artillery Brigade (AD), Escort Officer.

2. 2d Lieutenant James C. Donnelly, Information Officer, 47th Artillery Brigade (AD), Assistant Escort Officer.

SAN FRANCISCO OPERATION UNDERSTANDING, APRIL 10-12, 1969

GUEST LIST

1. Mr. John A. Barthrop (Col., USA-Ret.), Vice President, States Steamship Company, San Francisco, California.

2. Mrs. Ester M. Dearth, Director, Visitors and Conventions Bureau, Marin County Chamber of Commerce, San Rafael, California.

3. Mr. Wayne H. Henninger, Vice President and General Manager, Red Kettle Pancakes and Steaks, Inc., San Rafael, California.

4. Honorable Clayton W. Horn, Judge, Superior Court, San Francisco, California.

5. Mrs. Thomas C. Lynch (Virginia), Wife of Attorney General, State of California, President, Democratic Women of the Bay Area, San Francisco, California.

6. Mrs. J. Eugene McAtee (Frances), Chairman, Sunday Heart Fund, San Francisco Heart Association, San Francisco, California.

7. Mr. Henry R. Morris, General Representative, Pacific Telephone and Telegraph Co. (Northern California), San Francisco, California.

8. Mr. Mel L. Morse, Executive Director, Marin County Humane Society, Novato, California.

9. Mrs. Florete White Pomeroy, Executive Director, National Council on Alcoholism, San Francisco Area, San Francisco, California.

10. The Reverend John S. Thornton, Rector, St. Stephen's Parish, Belvedere, California.

11. Mrs. James R. Winn (Eleanor), Wife of Commanding General, 6th Region, ARADCOM, Sausalito, California.

ESCORTS

1. Major General James R. Winn, Commanding General, 6th Region, ARADCOM, Escort Officer.

2. Major Betty J. Benedict, Information Officer, 6th Region, ARADCOM, Assistant Escort Officer.

3. Captain Vernon L. Conner, Aide-de-Camp to Commanding General, 6th Region, ARADCOM, Assistant Escort Officer.

NEW YORK-NEW JERSEY OPERATION UNDERSTANDING, APRIL 17-19, 1969

GUEST LIST

1. Hon. Ralph P. Barone, Mayor of Woodbridge, Woodbridge, New Jersey.

2. Hon. William Allen Cobb, State Assemblyman, Morris County, New Jersey.

3. Mr. Philip O. Eisenberg, Counsellor at Law, New York, New York.

4. Hon. Harold C. Hollenbeck, State Assemblyman, Bergen County, New Jersey.

5. Mr. Mortimer J. O'Kane, 1st Vice President, Retired Officers Association, Woodside, New York.

6. Mr. Lee R. Rossbach, Broker, Gaines Reis, Inc., Wall Street, New York.

7. Dr. Joseph M. Teta (Ret.), Medical Doctor, Sands Point, New York.

8. Hon. Austin N. Volk, State Assemblyman, Bergen County, New Jersey.

9. Mr. Carl W. Werner, Restaurant Consultant, Roslyn Heights, Long Island, New York.

10. Mr. Herbert O. Winston, President, Winston and Keller, Inc., Morristown, New Jersey.

ESCORTS

1. Brigadier General Robert H. Safford, Commanding General, 52d Artillery Brigade, Escort Officer.

2. Lieutenant Colonel Charles R. Smith, Information Officer, Hq 1st Region, ARADCOM, Assistant Escort Officer.

3. 1st Lieutenant Jon F. Leider, Information Officer, 52d Artillery Brigade, Assistant Escort Officer.

4. 1st Lieutenant William B. Penzel, Aide-de-Camp to Commanding General, 52d Artillery Brigade, Assistant Escort Officer.

LOS ANGELES OPERATION UNDERSTANDING, APRIL 17-19, 1969

GUEST LIST

1. Mr. Don Carpenter, Editor, *The Ledger*, Montrose, California.

2. Mr. Robert Foster, District Representative, Southern California Edison, Secretary, Dominguez-Carson Rotary Club, Long Beach, California.

3. Mr. Andrew A. Glaze, Travel Supervisor, Automobile Club of Southern California, Torrance, California.

4. Mr. B. Walter Hicks, Publisher, Hicks-Deal Publications, Inc., Wilshire Division, Los Angeles, California.

5. Mr. Ernest Howlett, Vice Mayor of Rolling Hills Estates, City Hall, Rolling Hills Estates, California.

6. Mr. John P. Kwasigroch, Accountant (Ret.), Campbell, California.

7. Mr. Stephen J. Lacie, Manager, United California Bank, San Pedro, California.

8. Mr. Edward L. Lawrence, Director, Marketing, Defense & Aerospace, Crucible Steel Corporation, Glendale, California.

9. Mr. John Marbut, Former Mayor, City of Carson, Principal, Dominguez Elementary School, Carson, California.

10. Mr. Donald C. Morency, Manager, Tactical Systems Requirements, Ryan Aeronautical Company, San Diego, California.

11. Mr. Dwight Oliver, Managing Editor, *Peninsula Breeze*, Palos Verdes Peninsula, California.

12. Mr. Anthony Perkov, Owner, Ante's Restaurant, San Pedro, California.

13. Mr. Max Schwartz, Aide to Mr. Hough, Pacific Telephone Company, Los Angeles, California.

14. Mr. Robert R. Wearange, Plant Manager, Continental Can Company, Member, San Pedro Chamber of Commerce, Terminal Island, California.

15. Mr. Albert Zoraster, Van Nuys Industrialist, Van Nuys, California.

ESCORTS

1. Lieutenant Colonel John F. Kwasigroch, Deputy Commander, 19th Artillery Group (AD), Escort Officer.

2. 1st Lieutenant Albert P. Rotola, Jr., Information Officer, 19th Artillery Group (AD), Assistant Escort Officer.

DETROIT OPERATION UNDERSTANDING, APRIL 24-26, 1969

GUEST LIST

1. Mr. Mildred Dunnell, Active in National and State Republican Party, Mount Clemens, Michigan.

2. Mrs. Charles Farmer (Ruth), Wife of Judge Charles Farmer, Detroit, Michigan.

3. Mrs. John P. Garrity (Leona), Active in local and regional civic organizations, Member, Association of University Professors, Harper Woods, Michigan.

4. Mrs. Emory Genette (Ann), Active speaker, National Secretary, Citizens for Educational Freedom, East Detroit, Michigan.

5. Hon. Alice Gilbert, District Judge, Bloomfield Hills, Michigan.

6. Mrs. Philip A. Goetzmann (Mikki), Wife of Lt. Col. Philip A. Goetzmann, Executive Office, 28th Artillery Group, Bloomfield Hills, Michigan.

7. Mrs. Robert D. Knox (Patti), Vice Chairman, Democratic Party for Michigan, Detroit, Michigan.

8. Mrs. Victor Lim (Katie), Restaurateur, Victor Lim's Restaurant, Who's Who in American Women, Leader, Order of Eastern Star, Detroit, Michigan.

9. Mrs. James Lincoln (Kim), Wife of Judge Lincoln, Juvenile Court and Youth Home, Detroit, Michigan.

10. Mrs. Lucile McKee, Business leader; part owner of Macomb Daily, Mount Clemens, Michigan.

11. Mrs. Kenneth Peterson (Ruth), Member of Board, YWCA, Oakland County, Detroit coordinator of international visitors for International Institute, Recipient of Detroit Volunteer of the Year Award, Detroit, Michigan.

12. Mrs. Kathleen Roemer, Principal of Detroit School, Dossin School, Detroit, Michigan.

13. Mrs. Richard P. Sloan (Savilla), Chairman, Birmingham-Bloomfield Hills Republican Involvement Committee, Member, Junior League, Active as community speaker Orchard Lake, Michigan.

ESCORTS

1. Lieutenant Colonel Philip A. Goetzmann, Executive Office, 28th Artillery Group, Escort Officer.

2. 2nd Lieutenant Lyn A. Howard, Assistant Adjutant General, Hq 2d Region, ARADCOM, Assistant Escort Officer.

NEW ENGLAND OPERATION UNDERSTANDING, 24-26 APRIL 1969

GUEST LIST

1. Mr. James Allen, Owner, Allen House, Ltd., Pawtucket, Rhode Island.

2. Mr. Paul C. Fay, Vice President, Keough-Kirby Associates, Inc. Woonsocket, Rhode Island, Dedham, Massachusetts.

3. Mr. Charles H. Gardiner, President, Gardiner and Whiteley, Pawtucket, Rhode Island, Warwick, Rhode Island.

4. Colonel Phillip S. Greene (USA, Ret.), Director of Guidance, Coventry High School, Coventry, R.I., North Kingstown, Rhode Island.

5. Hon. Stanley M. Jendzejec, President of Town Council of Coventry, Coventry, Rhode Island.

6. Hon. M. Joseph Manning, State Representative, Massachusetts, Milton, Massachusetts.

7. Hon. John A. S. McGlennon, State Representative, Massachusetts, Concord Massachusetts.

8. Mr. Joseph H. O'Donnell, Jr., Treasurer, Keough-Kirby Associates, Inc. Woonsocket, Rhode Island, Former Lieutenant Governor, State of Rhode Island, North Smithfield, Rhode Island.

9. Mr. Constantine Pappas, Proprietor, Niantic Grille and Hotel, Past Commander, VFW Post, Niantic, Connecticut, Niantic, Connecticut.

10. Mr. James V. Pedace, Retired Editor, *The Norwich Bulletin*, Norwich, Connecticut.

11. Mr. Edward J. Regan, Coordinator, The Connecticut Bank and Trust Company, Hartford, Connecticut.

12. Mr. Frederick J. Roback, Communications Manager, Southern New England Telephone Company, Hartford, Connecticut.

13. Hon. John L. Waterman, Chairman of the Board of Selectmen, Rehoboth, Massachusetts.

14. Hon. Stanley J. Zarod, State Senator, Massachusetts, Indian Orchard, Massachusetts.

ESCORTS

1. Colonel Harry D. Latimer, Commanding Officer, 24th Artillery Group (AD), Escort Officer.

2. 1st Lieutenant James C. Hunter, Adjutant and Information Officer, 24th Artillery Group (AD), Assistant Escort Officer.

MAY 9, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Public Information:

E. C. RALEIGH,
Colonel, GS, Chief,
Policy and Plans Division.

DEPARTMENT OF THE ARMY, HEAD-
QUARTERS, THIRD U.S. ARMY,
Fort McPherson, Ga., May 2, 1969.

Subject: Report of Nonlocal Travel for Community Relations Purposes, (RCS CINFO-25).

CHIEF OF INFORMATION,
Department of the Army,
Washington, D.C.

1. Reference paragraph 27b, AR 360-5, dated 27 September 1967.

2. Fifteen faculty members of Wofford College, Spartanburg, S.C., visited the Defense Information School, Fort Benjamin Harrison, Indiana, 20-22 April 1969, utilizing a guaranteed Community Relations flight.

3. The flight was requested by COL Harold G. Stover, Professor of Military Science, Wofford College, who accompanied the group. MAJ Edward Y. Hall, Assistant Professor of Military Science, also accompanied the group.

4. The purpose of the visit was to provide the educators an opportunity to study the teaching methods and techniques employed by the Defense Information School.

5. The names and positions of those making the trip are attached.

For the commander:

Maj. MARY E. MURPHY,
Acting Assistant.

LIST OF PERSONS MAKING TRIP

Dr. Fred T. Adams, Chairman, Department of Sociology, 130 Sunset Drive, Spartanburg, S.C. 29302.

Mr. Donald R. Bailey, Professor of Sociology, 139 Woodhaven Drive, Spartanburg, S.C. 29302.

Mr. Aubrey E. Hartman, Professor of Physics, Route No. 1, Box 348C, Wellford, S.C. 29385.

Mr. Joseph H. Killian, Professor of History, 244 Nelson Avenue, Spartanburg, S.C. 29302.

Mr. Lawrence E. Moore, Professor of Chemistry, 109 Briarwood Road, Spartanburg, S.C. 29301.

Mr. William A. Parker, Professor of Physics, 394 Wannamaker Court, Spartanburg, S.C. 29302.

Mr. Marion B. Peavey, Director of Information Services, Greene Hall Apartments, Spartanburg, S.C. 29301.

Mr. Howard M. Pegrum, Professor of Mathematics, 307 West Birnie Street, Gaffney, S.C. 29340.

Mr. William W. Scheerer, Chairman, Department of Physical Education, 109 Pineville Road, Spartanburg, S.C. 29302.

Mr. Joseph Secondi, Professor of English, 324 DuPre Drive, Spartanburg, S.C. 29302.

Mr. Edward B. Sydnor, Director of Special Educational Activities, 212 Lake Wood Drive, Spartanburg, S.C. 29302.

Dr. Thomas V. Thoroughman, Professor of History, 301 Springwood Drive, Spartanburg, S.C. 29302.

Dr. William P. Cavin, Professor of Chemistry, 704 Perrin Drive, Spartanburg, S.C.

Col. Harold G. Stover (Escort Off), Professor of Military Science, Wofford College, Spartanburg, S.C. 29301.

Maj. Edward Y. Hall (Escort Off), Asst. Professor of Military Science, Wofford College, Spartanburg, S.C. 29301.

APRIL 16, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The enclosed report, subject as above, is submitted in accordance with Section IX, DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Information:

LEONARD P. DILEANIS,
Colonel, GS, Acting Chief, Policy and Plans Division.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

Headquarters, U.S. Army Materiel Command, Washington, D.C. 20315, April 11, 1969.

To: Chief of Information, Department of the Army, Attn: Chief, Community Relations Division, Washington, D.C. 20310.

Report in basic letter above is submitted in compliance with paragraph 27b, AR 360-5, dated 27 September 1967.

For the Commander:

WILLIAM H. MESSENGER,
Chief, Community Relations, Information Office.

DEPARTMENT OF THE ARMY,
Lexington, Ky., April 7, 1969.

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

COMMANDING GENERAL,
U.S. Army Materiel Command,
Washington, D.C.

1. Reference AMCR 360-5, dated 5 March 1968.

2. Mr. Harold B. Barton, Adjutant for the Eastern Kentucky University R.O.T.C., Richmond, Kentucky, requested the following vehicles to transport cadets:

[Equipment, origin, destination, and date]

Truck 2½ ton, Richmond, Ky., to Ft. Knox, Kentucky, 5 Mar. 69.

Truck 2½ ton, Richmond, Ky., to Richmond, Kentucky 7-8 Mar. 69.

Bus (2), Richmond, Ky., to Dayton, Ohio, 8 Mar. 69.

3. LTC Richard S. Webb III, requesting officer, for 2d Battalion, 8830th MP USAR TC, Lexington, Kentucky, requested the following vehicles to transport cadets:

[Equipment, origin, destination, and date]

Bus (2), Lexington, Ky., to Lexington, Kentucky 9 Mar. 69.

4. Major Melvin E. Hampton requesting officer, for 810th Convalescent Center, Lexington, Kentucky, requested the following vehicle to transport cadets:

[Equipment, origin, destination, and date]

Bus, Richmond, Kentucky, to Lexington, Kentucky, 15 Mar. 69.

5. LTC Thomas A. Harris, requesting officer, for Department of Military Science, Morehead State University, Morehead, Kentucky, requested the following vehicle to transport their R.O.T.C. Pershing Rifle Company to Ohio State University for a rifle meet:

[Equipment, origin, destination, and date]

Bus, Lexington, Ky., to Columbus, Ohio, 27-28 Mar. 69.

For the Commander:

JOHN P. FOLEY,
LTC, SigC, Director for Administration.

JULY 22, 1969.

Memorandum for: Assistant Secretary of Defense (Public Affairs).

Subject: Use of Military Transportation for Public Information and Community Relations Purposes (RCS CINFO-25).

The inclosed report, subject as above, is submitted in accordance with Section IX,

DOD Directive 5435.2 under the provisions of RCS DD-PA (M) 591.

For the Chief of Public Information:

LEONARD P. DILEANIS,
Colonel, GS, Deputy Chief, Policy and Plans Division.

USE OF MILITARY CARRIERS FOR PUBLIC AFFAIRS PURPOSES

To: Chief of Information, Department of the Army, Washington, D.C.

From: HQ ARADCOM, Information Office, Ent AFB, CO.

[Trip date, origin, destination, type individual, type carrier and ownership, and purpose]
5-6 Jun 69, Colorado Springs, Colorado, to Ft. Bliss, Tex., White Sands, N. Mex., Ent AFB, Colo., Incl 1, T-39, Operation Understanding.

BENJAMIN A. SPILLER,
Colonel, GS, Information Officer.

COLORADO SPRINGS OPERATION UNDERSTANDING,
JUNE 5-6, 1969

GUEST LIST

1. Dr. Albert P. Bridges, Operations Manager, Kaman Nuclear, Colorado Springs, Colorado.

2. Mrs. Albert P. Bridges.

3. Mr. Richard Eckert, District Manager, Mountain States Telephone Company, Colorado Springs, Colorado.

4. Mrs. Richard Eckert.

5. Mr. William B. Elliott, President, Colorado Springs Equipment Company, Colorado Springs, Colorado.

6. Mrs. William B. Elliott.

7. Mr. Donald W. Heyse, Secretary-Treasurer, Heyse Sheet Metal & Roofing Company, Treasurer, Pikes Peak Chapter, AUSA, Colorado Springs, Colorado.

8. Mrs. Donald W. Heyse.

9. Mr. James L. Higday, Manager, Mountain Division, Public Service Company of Colorado, Leadville, Colorado.

10. Mr. Harry W. Hoth, President, Pikes Peak Broadcasting Company, President, Pikes Peak Chapter, AUSA, Colorado Springs, Colorado.

11. Mrs. Harry W. Hoth.

12. Mr. Harry A. Mallon, President, Shepard's Citations, Colorado Springs, Colorado.

13. Mrs. Harry A. Mallon.

14. Mr. W. H. Preston, President, Colorado Springs Rotary Club, Colorado Springs, Colorado.

15. Honorable Jack L. Roeser, County Court Judge, El Paso County, Colorado Springs, Colorado.

16. Mrs. Jack L. Roeser.

17. Mr. James R. Ross, County Commissioner, El Paso County, Colorado Springs, Colorado.

18. Mr. William H. Schwabe, Manager, American Stores Packing Co. (Acme Markets), Past President, Pueblo Chamber of Commerce, Pueblo, Colorado.

19. Mr. Richard Spencer, Publisher, Western Horseman Magazine, Colorado Springs, Colorado.

20. Mrs. Richard Spencer.

21. Mr. Darrell D. Thomas, Attorney-at-Law, U.S. Commissioner, Colorado Springs, Colorado.

22. Mrs. Darrell D. Thomas.

23. Mr. Philip A. Winslow, President, Phil Winslow Volkswagen, Inc., Colorado Springs, Colorado.

ESCORTS

1. LTG G. V. Underwood, Jr., Commanding General, U.S. Army Air Defense Command, Escort Officer.

2. COL Benjamin A. Spiller, Information Officer, U.S. Army Air Defense Command, Assistant Escort Officer.

3. LTC Juan A. Colon, Deputy Information Officer, U.S. Army Air Defense Command, Assistant Escort Officer.

4. Major Robert L. Keller, Aide-de-Camp to Commanding General, U.S. Army Air Defense Command, Assistant Escort Officer.

5. 1st Lt. Walter B. Moore, Jr., Aide-de-Camp to Commanding General, U.S. Army Air Defense Command, Assistant Escort Officer.

Mr. FULBRIGHT. The final area I would like to discuss is that of Army speakers supplied to civilian audiences. There has been a dramatic and understandable escalation in the number of military men being supplied as speakers, particularly on Vietnam, to public audiences. This can be traced in the Army's own semiannual reports that have been supplied to me. In the 6 months ending December 1966, 350 Army speaking engagements were reported arranged by the Chief of Information.

By 1 year later, a report said:

All reporting commands indicated an active Army speakers program. . . . The demand for Army speakers on Vietnam has also increased during the period. An estimated 1000 (sic) speakers per month are scheduled and requested (throughout the country) to speak on Vietnam.

A further increase was reported in 1968 with some 1,200 engagements reported during the first 6 months.

Let me point out that this means that, on an average, tonight and for each night of the week, no less than seven Army speakers are appearing before public audiences, most of them to give the Army view of the war in Vietnam. How can those of us who seek to challenge the administration, and thus the Army's position in this most important matter, compete with that array of speakers? And, remember, this is just the Army alone. For, as I have already noted, the Office of Secretary of Defense, the Navy, and the Air Force all have their speakers.

The opportunity to shape the public's mind on Vietnam through those speakers is something that should be carefully considered.

I ask unanimous consent to have printed in the RECORD the semiannual community relations reports for the period January 1967 through December 1968.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Report Symbol DD-PA (SA) 656]

DEPARTMENT OF THE ARMY SEMIANNUAL COMMUNITY RELATIONS REPORT, JANUARY 1, 1967-JUNE 31, 1967

SECTION I: EXCEPTIONAL ACCOMPLISHMENTS

1. Identification with DA Mission with Public Interest:

(a) DA Support in Disasters and Civil Disturbances:

(1) Missouri Basin Floods: During the spring floods in the Missouri Basin, the Technical Liaison Offices of the Army Corps of Engineers furnished information to the press and general public on the flood situation. The Kansas, Missouri and Nebraska National Guards cooperated with the Corps, furnished helicopters and fixed wing aircraft for reconnaissance and photographic missions over the flooded areas. After the flood abated, information was furnished for wrap-up stories by the various news media, describing flood damages and emphasizing damages prevented by Corps projects.

(2) Southwest Forest Fire: Personnel from 1st Battalion, 33d Artillery, Fort Bliss, aided fire-fighting teams at Lincoln National Forest

in New Mexico to help bring a 2500-acre fire under control.

(3) Fort Irwin Air Disaster: An Air Force F4C Phantom, from George Air Force Base, Victorville, California, crashed and burned at Fort Irwin during a formation flight. The pilot and commander of the aircraft both ejected and the commander was killed instantly. Prompt rescue action by Army helicopter pilot, CW 2 Michael Von Koepper, saved the life of the severely burned pilot, and was cited for his actions. Cooperation between the Army and Air Force and the heroic action of the helicopter pilot was played up by the Fort Irwin IO. The story was given headline coverage in most of the local newspapers.

(4) Other Support: Thirty-five enlisted reservists from the 352d General Hospital Unit, Oakland Army Base, California, participated in a civil defense exercise simulating an earthquake disaster. The exercise was designed to test the ability of Herrick Memorial Hospital under disaster conditions. Outstanding pictorial and feature coverage was given by local news media.

(b) Civilianization Program:

(1) Civilian position vacancies are publicized regularly in the Fort Meade, Maryland post newspapers with excellent results in the way of applicants for job openings.

(2) An extensive publicity campaign within the command and local media of the Military District of Washington to assist the civilian personnel recruiting program during the past reporting period, employing such available resources as television, radio and newspaper coverage, as well as paid advertising.

(c) Base Closures: Headquarters XVI U.S. Army Corps Information Office reports that several news articles have appeared in local newspapers concerning the announcement that the Army will phase out XIV Corps headquarters in Omaha.

(d) Relocation of Headquarters: The relocation of Headquarters, Fifth U.S. Army from the former Army hospital building (Gardiner General Hospital) to Fort Sheridan, Illinois, was accomplished during the period 19 April to 19 May. The move proved to be an almost flawless performance and was duly noted by Chicago metropolitan and Fort Sheridan area news media.

(e) Good Neighbor Acts and Community Service:

(1) The Wilmington, North Carolina, and Savannah, Georgia, Districts of the Corps of Engineers received citations for their co-operation with conservation interests. The North Carolina Wildlife Federation in conjunction with the National Wildlife Federation and the Sears Roebuck Foundation, presented its 1965 Eastern regional award to Colonel Beverly S. Snow, Jr., Wilmington District Engineer, for what conservation interests in the state described as a "major break-through" in cooperation with fish and wildlife groups. Colonel William L. Barnes, Savannah District Engineer, received a citation from the Chattahoochee Valley Chamber of Commerce for "establishing and maintaining superior examples of good taste and beautification and for providing and maintaining good community relations in the Valley."

(2) Sport fish raised in the cooling pond at Fort Richardson, Alaska, were "planted" in various waters in the vicinity of Anchorage to provide new public fishing opportunities and to replenish salmon spawning runs which had diminished. In May, some 64,000 King Salmon fingerlings were released in Ship Creek which passes through Fort Richardson, Elmendorf Air Force Base, and Anchorage. In June, an additional 470,000 young King Salmon were placed in this creek and approximately 12,000 young Rainbow Trout were planted in 5 lakes in the Anchorage area.

(3) Over 100 soldiers from the 1st Bat-

talion, 20th Artillery, Fort Lewis, Washington, assisted civil authorities in the search for the body of Steve Brumley, a logger who fell from his horse in the Nisqually River and drowned. In addition to the searchers, the Army contributed a helicopter, crane and bulldozer to aid in the search.

(4) Sixty-two men of the 1st Battalion, 59th Infantry Regiment, Phoenix, Arizona, donated blood to save the life of a 17-year-old high school senior.

(5) A group of women from the Women's Army Corps Detachment at Fort Bragg have banded together to form a choral group known as the "Angels in Army Green." They are now performing on and off post upon request and have won the USO's "Good Neighbor Award."

(6) The Army Community Service Program, Fort Lewis, Washington, has handled 54,000 separate cases during the past year. The service provided assistance in finances, housing, child care, marital and psychological problems and many other difficulties facing separated military families. In April, Channel 10, Olympia, Washington, presented two 30-minute programs on this community service work.

2. Media Support:

(a) The continued build-up of the Armed Forces in Vietnam brought an increased effort to assist the various media in their attempt to inform the American public. Articles on Army training and field action have appeared in all the major magazines and daily newspapers. Radio and television coverage of the "Army Story" has also received considerable support.

(b) All reporting elements mentioned an increased volume of Hometown News releases. During the fourth quarter Headquarters Fifth U.S. Army reported 18,333 Hometown news and picture releases, 2,095 Hometown radio tapes and 167 Hometown TV clips.

(c) First U.S. Army reported that it provided assistance to the National Educational Television (NET) network in the development of a one hour filmed program pertaining to the contributions which a community makes to national defense. The community selected was Charlottesville, Virginia. The completed program, entitled, "Homefront of 1967" was distributed in March to over 100 NET stations across the nation for showing in April.

(d) Special Forces units from Fort Bragg received widespread news coverage from visiting press and other media at their training area in northern New England.

(e) There was a continued emphasis in most local areas on soldiers returning from Vietnam. The Radio-TV section of Fort Hood, Texas, developed a new radio series entitled "Focus: Vietnam." The show utilizes the experience of men who have recently returned from Southeast Asia and highlights their personal experience with the war and the Vietnamese people.

(f) Arrangements were coordinated and an escort provided for newsmen Phil Santora and a photographer of the New York Daily News, who spent four days at Fort Dix to interview and photograph Vietnam returnees. This resulted in a two-part feature with supporting photographs in the issues of 6 and 7 July (circulation: 2,097,570). This is one instance of many similar Army efforts to cooperate with newsmen.

(g) SFC Frank Barbee, an instructor in the Department of Specialist Training, appeared on the Alan Burke Show on WNEW-TV, Channel 5, New York City, on 4 March. His appearance, approved by DOD, was voluntary on his part to answer critics on a previous program who objected to Negroes, fighting in Vietnam because of alleged discrimination against them. SFC Barbee made his point with dignity, winning the respect of all participants on the show. The public's reaction was gratifying, and it is felt that by

his appearance, the public image of the Army was enhanced.

3. Speakers Program:

(a) Speaking engagements:

(1) Approximately 280 Army speaking engagements were arranged by OCINFO alone. There were countless other speaking engagements by Army and Civil Defense speakers that were not reported.

(2) There continues to be a large demand for Vietnam returnee speakers. Headquarters XIV Army Corps, U.S. Fifth Army, reported a "tremendous expansion" in its speaker's program due to a substantial increase in requests from business, veterans and religious organizations. Sixth Army reported an increase of 23 percent in the number of speakers provided for civic and military functions and attributed the increase to popular interest in Vietnam.

(b) Speechmaker Kits: The Command Information Unit continues to develop and distribute Speechmaker Kits. The kits include a prepared speech and a set of slides. They are designed for delivery by any Army spokesman to adult military and civilian groups of all kinds and cover a large number of topics ranging from Army training to research and development. During the reporting period 5 Speechmakers were revised and printed. One new one has been written but has not yet been cleared. The total number of Speechmakers is now 24.

4. Cooperation with Organizations: The Army, in coordination with and as approved by the Department of Defense, cooperates with certain selected national organizations.

(a) Thirteenth Annual Meeting of the Association of the United States Army (AUSA): The Department of the Army has begun its coordination with AUSA in connection with its annual convention to be held 9-11 October 1967 in Washington, D.C.

(b) Other Support to AUSA: U.S. Army posts, camps and stations throughout the country continued to give strong support to AUSA. An example of such was the meeting between 100 civilian leaders with former Georgia Governor Carl Sanders and MG Robert H. York, CG, Fort Benning to launch a membership drive for the Columbus-Phoenix City-Fort Benning Chapter of the AUSA.

(c) American Legion National Convention: The Army has been engaged in coordinating for the national convention of the American Legion to be held in Boston, Massachusetts during the period 25-31 August 1967.

(d) National Convention, Veterans of Foreign Wars: Army coordination and cooperation has been completed for the national convention to be held in New Orleans, Louisiana, during the period 18-25 August 1967.

5. Civilian Aides to the Secretary of the Army Program: The program of Civilian Aides to the Secretary of the Army serves as a means for two-way communication between the Army and the public. As an unpaid advisor to the Secretary of the Army and to local Army commanders, a Civilian Aide recommends and assists in ways of enhancing the understanding and cooperation between the Army and the civilian communities. The 13th National Civilian Aides Conference was held at Fort Gordon, Georgia during the period 21-23 May 1967. The event was a very successful one and received good media coverage.

6. Musical Support and Participation:

(a) Tours by Army Bands:

(1) The U.S. Army Field Band toured the Southeastern and Northeastern United States in the spring of 1967 appearing in 69 concerts and other performances before a total audience of over 93,000. During the last reporting period they have performed on 305 occasions before an audience of over 700,000 people.

(2) The Women's Army Corps Band conducted a 10-concert tour which included performances in Pennsylvania, Virginia, the District of Columbia and Tennessee.

(b) Military District of Washington:

(1) The Military District of Washington (MDW) continued to coordinate and support Armed Forces participation in ceremonies for dignitaries visiting the Washington, D.C. area. A total of 332 Full Honor ceremonies were held during the reporting period for such visitors as the Prime Minister of Britain and the King and Queen of Thailand.

(2) The United States Army Band and the 3d Infantry presented four Torchlight Tattoos during the month of June to capacity audiences. The Band's concerts (four at the Watergate and five at the Capitol Plaza) drew approximately 20% more attendees than last year. The series of concerts and tattoos will continue through the summer and conclude at the end of August.

(c) Other Bands: Other Army bands continued to support local civic events in communities throughout the United States. The 72d U.S. Army Band, Fort MacArthur, California, for example, participated in eight major parades during the third quarter alone for an estimated audience of 300,000 persons. Requests for bands has been particularly heavy during the last reporting period due to the various holidays and summer parades.

7. Parachute Demonstrations:

(a) U.S. Army Parachute Team: During the reporting period the U.S. Army Parachute Team "Golden Knights" appeared in 47 demonstrations before spectators totaling more than 2,056,000. The team now holds 93 of 128 world parachuting records in international competition. Despite a continuing shortage of personnel, the "Golden Knights" have been able to field teams for numerous airshows and fairs across the United States.

(b) Other Parachute Teams: In addition to the U.S. Army Parachute Team the sports parachute clubs of Fort Campbell, Kentucky, and Fort Hood, Texas, gave demonstrations for local civilian communities. Newspapers in the Fort Hood area carried a story about the Fort Hood Skydivers, who began the massive Easter egg hunt by dropping into the "egg hunt" zone of the Fort Hood 1st Armored Division area.

8. Orientation Tours and Open Houses:

(a) Operation Understanding: ARADCOM continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operations of ARADCOM units. Fort Bliss reported that its revitalized Operation Understanding tours brought the number of special visits to the post to an all time high during the reporting period.

(b) Other Tours:

(1) In addition to Operation Understanding, the CONUS Armies are conducting a number of orientation tours for United States civilians. In February, Fort Benning, Georgia, was host to 150 members of the Columbus Rotary Club for a briefing at the Officer Candidate School. Sixth Army reported that tours provided an exceptionally effective tool for good community relations. Approximately 20,000 people visited Army installations in that area during the third and fourth quarters. The Presidio of San Francisco placed considerable emphasis on tours for young people, especially those youngsters with physical handicaps.

(2) Tours for foreign visitors also received a great deal of attention during the period. The U.S. Army Engineer Center and Fort Belvoir in Virginia were host to 274 visitors representing 16 countries: Morocco, Denmark, Japan, Australia, Brazil, Canada, Uruguay, Tunisia, Paraguay, Sweden, Sudan, Indonesia, Vietnam, Liberia and COPE CODECA (an organization of South American States). Highlights of the visit included an all day tour of more than 200 Canadian student officers, Fort Polk, Louisiana was host to five Indonesian Army officers for a four-day period in the fourth quarter. The foreign officers observed the processing of U.S.

Army inductees, basic combat training, advanced infantry training and training in combat support skills. The John F. Kennedy School for Special Warfare at Fort Bragg, North Carolina, received numerous senior police officials from foreign nations. The 82d Airborne Division hosted a group of 23 students and three instructors from Chile's War Academy.

(3) Many reporting units indicated that tours were utilized successfully in connection with ROTC publicity programs.

(c) Open House: Open house is held continually at local posts, camps and stations. For example, during the period 6-9 June the 13th Annual National Strategy Seminar was held at the Army War College, Carlisle Barracks, Pennsylvania, when more than 120 prominent civilian and military makers from throughout the nation met with the 205 students to develop a national strategy through sharing knowledge gained in their particular occupation. Representatives from the fields of agriculture, labor, business, law, education, religion, government, science and arts participated in the 4-day session. Guest speakers included Richard Collins of the CIA, Honorable Robert R. Bowie, Counselor of the Department of State; Honorable Stanley R. Resor, Secretary of the Army; General Earle G. Wheeler, Chairman, Joint Chiefs of Staff; and General Harold K. Johnson, Army, Chief of Staff. Film of the seminar was made by the Information Officer and released to all local television stations.

9. Exhibitions:

(a) U.S. Army Exhibit unit:

(1) Twenty-four exhibits of the U.S. Army Exhibit Unit were displayed in the various parts of the United States before a total of some 7.4 million visitors.

(2) The following major exhibits were refurbished by the Unit during the period:

(a) Captured Communist Equipment—2 exhibit units.

(b) Adapting to Living in the Nuclear Age—an outdoor exhibit giving information pertaining to nuclear fall out and survival procedures during an enemy attack.

(c) Above and Beyond the Call of Duty—an indoor exhibit featuring the U.S. Army's Medal of Honor and its history.

(d) Man on the Moon—an indoor exhibit which points up those areas in which Army experience and research may provide answers enabling man to live, work and travel on the moon.

(e) Chaplains Showcoach—an outdoor van which tells the story of the Army Chaplain Corps.

(f) U.S. Army Trains for Leadership—an indoor exhibit explaining the Army's vast educational and training system.

(g) U.S. Army Airborne—All the Way—an indoor exhibit designed to familiarize the American public with the history and role of the U.S. Army Airborne forces.

(h) How the U.S. Army Meets the Third Challenge—an outdoor van exhibit which explains the Army's worldwide programs of stability of the United States and the Free World.

(i) U.S. Army—A Heritage of Freedom—an indoor display depicting the Army as a protector of freedom on the battlefield.

(j) The Airmobile Soldier—an indoor exhibit in the shape of a helicopter which highlights airmobile operations in Vietnam.

(k) Today's Vision, Tomorrow's Victory—an outdoor van exhibit which tells the story of the U.S. Army Combat Developments Command (USACDC).

(l) Serving With Pride and Dignity—an indoor exhibit which tells the story of the Women's Army Corps from its inception.

(3) The following new exhibits were constructed by the Exhibit Unit—

(a) Shaping the Army's Future—an indoor exhibit which features the Army's research and development program.

(b) U.S. Army Chaplaincy—Fibers of

Faith and Source of Strength—an indoor exhibit highlighting the history and memorabilia of the Army Chaplains Corps.

b. Other Exhibits: Fort Wainwright, Alaska, installed a new Jonathan M. Wainwright Museum which is now shown to visitors to the Fort. This facility contains an historic display prepared in U.S. Army Alaska headquarters concerning the Army's service in Alaska since 1867. During the reporting period Combat Developments Command designed and programmed for construction three exhibits for use by the command, with initial showing to take place during the Annual AUSA Meeting, 9-11 October 1967.

10. Support to Youth Groups:

(a) Boy Scouts of America: Army assistance to activities of the Boy Scouts continued on all levels of command. A Scout-O-Rama involving 3,300 scouts and 200 adults was held at Yakima Firing Center, Fort Lewis, Washington in May. Logistical and public information support was given to "Operation Camporee" held by 400 Boy Scouts from Burlington County, New Jersey. This annual winter camporee was held at the Lake-of-the-Woods Scout reservation at Fort Dix during the last weekend of January. Approximately 1,000 Boy Scouts from Ann Arundel County, Maryland, took part in a three-day camporee at Fort Meade in May.

(b) Other Youth Groups: The Army continues to cooperate with the Camp Fire Girls, Girl Scouts, Brownies, 4-H Clubs and other youth organizations. Extensive planning and coordination has been put into scheduling of service bands and choral groups for the Washington area during the summer, tempered particularly to the level that young people will appreciate.

11. Special Events:

(a) Dedication at Carlisle Barracks: On 29 April the new 5.5 million dollar academic building at Carlisle Barracks was dedicated at Root Hall. Prior to the ceremony a 30-minute concert was presented by the First U.S. Army Band. Guest speakers at the dedication were Major General Ulysses S. Grant, III (USA-Ret), Senator George N. Wade of Pennsylvania, Lieutenant General William F. Train, CG, First U.S. Army and Major General Eugene A. Salet, Commandant of the Army War College. More than 1,000 military and civilian guests attended the outdoor ceremony.

(b) First Army Commanders' Rifle and Pistol Championships: The First Army Commanders' Rifle and Pistol Championships were held at Fort Meade, Maryland, in April. Over 700 competitors took part in the event. News releases and photographs were provided to local news media and to Associated Press and United Press International.

(c) San Antonio Fiesta: The Fourth U.S. Army gave full cooperation to the San Antonio Fiesta held during the week of April 21 in San Antonio, Texas. This event is a week-long patriotic and civic celebration commemorating the Battle of San Jacinto in 1836 and the winning of Texas independence. The Fourth U.S. Army Commander was the military coordinator for the 1967 observance with the Army Information Office directly responsible for the details of Armed Forces support.

(d) All-Army and Inter-Service Boxing Championships: The All-Army and Inter-Service Boxing Championships held at Fort Lewis in March received outstanding media coverage. The XX Consell International du Sport Militaire (CISM) Boxing Championships at Fort Meade in June also received wide press and radio coverage.

(e) Memorial to Special Warfare Soldiers: A \$75,000 memorial to Special Warfare soldiers killed in action was dedicated at the John F. Kennedy Center for Special Warfare, Fort Bragg, North Carolina.

(f) Dedication of Dams: Foster and Green Peter Dams on the Santiam River in Oregon were dedicated in June. Both dams were

major projects of the Corps of Army Engineers. Principal speakers were Oregon's Governor Tom McCall, senior United States Senator Wayne Morse and Major General Frederick J. Clarke, Deputy Chief of Engineers.

(g) Anniversaries:

(1) An appeal for Civil War relics and mementos displayed at Fort Meade during its 50th Anniversary celebration May 20th received wide publicity in the area press and resulted in a number of items being offered for display in the 1st Army Museum at Fort Meade.

(2) The 50th Anniversary of Fort Story, Virginia, resulted in widespread coverage by area newspapers. The anniversary was used as a reason for a press day, in which representatives of all three media toured Fort Story, current activities and history.

(3) The observance of the U.S. Army Reserve birthday, 23 April 1967, afforded XX U.S. Army Corps the opportunity to tell the Army Reserve story. All reserve units were forwarded a fact sheet on the Army Reserve and a message in commemoration of the USAR birthday signed by the Corps Commander. Two hundred twenty-one news media in Ohio, Kentucky and West Virginia were sent radio and television spot announcements along with the history of the Army Reserve and a press release. Several units reported not only good coverage by the news media but also local radio and television stations conducted personal interviews of reservists in commemoration of the birthday.

(4) The 50th Anniversary celebration of Fort Dix, New Jersey, increased the interest of the local area press and the general public. As a result of this aggressive pre-publicity campaign, newspapers and WFIL-TV Philadelphia sent seven representatives to Fort Dix for "live" coverage of the activities.

(5) "Our Heritage—The Military Era" was adopted as the theme of the annual Daffodil Festival Parade, Tacoma, Washington. The floral parade, which is considered one of the nation's top ten, paid tribute to Fort Lewis' 50th Anniversary. MG Donald R. Pierce, CG, Fort Lewis, served as Grand Marshal of the parade which was reviewed by Governor Dan Evans, Washington.

(6) The Information Office, MDW, wrote and produced a radio show on MDW's 25th Anniversary and made distribution to all local stations, four of which carried the program.

12. Posthumous Awards:

(a) The nation's second highest combat award, the Distinguished Service Cross, was presented posthumously on 20 April to SP4 John W. Dahr of Dillsburg, Pennsylvania. His parents, Mr. and Mrs. Paul Dahr, Sr., received the award from Major General Eugene A. Salet during a retreat parade at Carlisle Barracks, Washington, D.C. They were also presented the Purple Heart for the fatal wounds their son received in action near Cu Chi on 8 January with the 25th Infantry Division in Vietnam. The awards ceremony was given wide publicity and a very large crowd attended.

(b) Military District of Washington coordinated press activities for the posthumous award of the Medal of Honor to the family of SP4 Daniel Fernandez by President Johnson on 6 April and to the family of Lieutenant Robert J. Hibbs on 26 January.

(c) The presentation of the Distinguished Service Cross to the widow of Major Lewis D. Bell took place at Fort Wolters in February. Major Bell, an Army aviator, was killed in action in Vietnam.

(d) ARADCOM units continue to participate in burial and memorial services, posthumous award ceremonies for Vietnam dead, and award ceremonies for Vietnam dead, and award ceremonies for Vietnam veterans. In the 5th Region, the 6th Battalion, 65th Artillery, dedicated its four firing batteries to the memory of four Key West war dead. Most civilian and military dignitaries of the

Key West area were present, in addition to approximately 300 other local residents. There was excellent coverage by newspapers and radio stations.

13. Reserve Components:

(a) The 50th anniversary of the Army Reserve was given widespread newspaper, TV and radio coverage throughout the United States. In the First U.S. Army area there was a rigorous campaign through Reserve units to proclaim U.S. Army Reserve Day by mayors of local cities. Such proclamations were issued by the Governor of Arizona and the mayors of San Francisco, Los Angeles, Fresno, Santa Barbara and other cities. In many cities open house was held at Reserve Centers.

(b) On March 16-19 approximately 1,200 men of the Active Army, National Guard and Army Reserve participated in a joint training exercise at Fort Rucker, Alabama.

(c) Recruiting jump by Army Special Services Reservists from Portland, Salem, Eugene areas of Oregon, received full page picture spreads in Oregon papers. The training jump was conducted to publicize the unit's need for additional men.

14. Army Reserve Officer Training: Intensified publicity of ROTC programs continued to develop during the period in response to the Army's need for new officers. A new program of two-year and four-year ROTC Scholarships received extensive publicity through the electronic media, newspapers and Army speakers. Fifth Army reported that its "Road to Freedom" radio broadcast series which stresses the ROTC theme added nine new stations to its distribution list for a total of 68.

15. Memorial Day Observance: Army support of Memorial Day observance took place on all levels of command. Fort Dix provided support for Memorial Day parades and ceremonies in 62 communities in New Jersey, Delaware, and the Philadelphia area, including troop units, military speakers, firing squads, buglers, and Army Bands. The Military District of Washington produced a 13-minute radio program centering on activities at Arlington National Cemetery for release on Memorial Day. This program was distributed nationally to approximately 800 interested independent stations. MDW also assisted WMAL-TV in Washington, D.C., in the production of a 30-minute program on the Arlington Cemetery. The presentation was broadcast on May 28 and 30 and brought favorable comments from the U.S. Army Chief of Staff, General Johnson, and *Variety Magazine*.

SECTION II: PROBLEM AREAS AND SOLUTIONS

1. Lack of Qualified Information Personnel: This continues to be a problem area with all installations during the reporting period. Headquarters First U.S. Army gave the following suggestion: "The need for good personnel is so great that commanders faced with the task of feeding, supply, and training the troops of necessity give such missions primary emphasis—only if information personnel are specifically earmarked is there assurance that they will be assigned to information positions. To get qualified personnel—of which there is a great supply now being inducted—CINFO should secure authorization to screen reception centers for enlisted personnel with information backgrounds and program their assignments upon completion of AIT. A civilian trained news media type will, in most instances be superior to a CINFO graduate and also eliminate the schooling time lag."

2. ROTC Furor: During January, nationwide publicity resulted from charges that Army ROTC instructors at the University of Washington had presented an orientation, under conditions secrecy, to cadets on dissident organizations and had directed the cadets to spy on fellow students and faculty members. *Sunday Ramparts* aired such charges attributed to individual faculty

members at the University of Washington in its 15-21 January Issue. The University of Washington *Daily* of 25 January carried a generally factual and fair story covering all sides of the controversy. This was picked up by the Seattle dailies and the Associated Press thus causing nationwide attention to the subject. Sixth Army headquarters in San Francisco handled scores of inquiries on the matter and reported that the over-all coverage of the incident was not unfavorable to the Army.

SECTION III

None.

SECTION IV: FORECAST, 1 JULY-31 DECEMBER 1967

Reoccurring types of programs reported in Section I will be continued. Listed herewith are programs which are out of the ordinary or aspects of which are other than routine.

1. Command Information: To tell the Army Story in the community, Command Information Division has written 39 speeches to be given to civilian groups; produced 15 Big Picture shows, all in color; produced 52 worldwide radio shows, 26 Army Hour radio shows; and answered letters to approximately 5,200 civilians desiring information about the Army.

2. Band Tours:

(a) The U.S. Army Field Band will conduct a 72-day concert tour of Western United States commencing 15 August 1967.

(b) The WAC Band will conduct a 12-day concert tour of Kansas, Colorado, Mississippi and Arkansas commencing 23 October 1967.

3. Cooperation with Organizations: The Army in coordination with and as approved by the Department of Defense cooperates with certain organizations. Support will be furnished to the national conventions of the American Legion and Veterans of Foreign Wars; as well as to the annual meeting of the Association of the United States Army; and the bi-annual meeting of the Medal of Honor Society.

4. Veterans Day Celebration: The greatest amount of support possible will be extended to various communities throughout the United States by the Army.

5. Speakers: Within the constantly increasing influx of Vietnam returnees, the Army hopes to continually increase the number of speakers it provides the civilian domain.

[Report Symbol DD-PA(SA) 656]

DEPARTMENT OF THE ARMY SEMIANNUAL COMMUNITY RELATIONS REPORT, JULY 1, 1967-DECEMBER 31, 1967

SECTION I: EXCEPTIONAL ACCOMPLISHMENTS

1. DA Support in Disturbances and Civil Disasters:

(a) Hurricane Beulah: To battle the floods, damage and injuries resulting from Hurricane Beulah, Texas Guardsmen and many Regular Army units combined forces. Fort Sam Houston dispatched 500 blankets to Cuero, Texas while refugee centers were set up on post in anticipation of evacuated victims. Emergency food rations were dispatched to several areas of Texas via helicopters. Air National Guard units were busy around-the-clock flying supplies to flood ravaged areas. Ten-thousand units of typhoid vaccine were airlifted to the towns of Taft and Refugio by an Air Guard U19. Army units assisted in the construction of shelters for some 8,000 people in the Brownsville area. Over 2,200 hot meals were prepared by personnel of Fort Sam Houston to feed homeless victims of the disaster.

(b) Heflin Dam Overflow: Two units of the Alabama National Guard were called to state duty late in August to combat rising waters which threatened to overflow at the Heflin Dam. Two or three inches were overflowing when the troops arrived. Working continually all night over the entire 200-foot length, the Guardsmen stacked sandbags to prevent

further overflowing. Several business establishments, and much livestock and crops along with 15 homes were saved by the prompt response of the Guardsmen.

(c) Sun Dance Mountains Fire: Fort Lewis, Washington provided 350 men to the state of Idaho and the U.S. Forest Service to help battle a disastrous forest fire which raged over 90,000 acres in the Sun Dance Mountains of Northern Idaho. Firefighters, trucks, pick-ups, jeeps, ambulances, kitchen units and a complete communications system, as well as a company of MP's, were among the assistance provided.

(d) Fairbanks Flood: The Corps of Engineers vigorously completed its mission of restoring flood-damaged public facilities at Fairbanks, Alaska, in advance of the freezing weather.

(e) Stranded Navajo Indians: Fort Sill, Oklahoma sent men and equipment including helicopters to assist in rescuing Navajo Indians as a result of heavy snows in New Mexico.

2. Good Neighbor Acts and Community Services:

(a) Operation Appalachia: This project was undertaken by local officials and members of the 636th Engineer Company of Warren, Ohio, to collect clothing and donations for underprivileged families in Kentucky. The 636th gathered nine five-ton truckloads of clothing for the project and transported the cargo to a pick-up point at Bellair, Ohio. Reserve units then shuttled the goods to their final destination in Kentucky.

(b) Christmas Mail Rush: Fort Leavenworth, Kansas, loaned 14 Army vehicles to U.S. Post Offices in the area to assist in the delivery of Christmas mail.

(c) MARS Christmas Messages: The opportunity for folks at home to speak to their relatives in Vietnam was announced by the MARS station near Chicago. It received good response from the Metropolitan Chicago area.

(d) "Christmas Island": Christmas Island is constructed each year on Capitol Lake in Olympia, Washington. Originated many years ago by Fort Lewis, Christmas Island is that post's gift to the community. The Fort Lewis Band conducted opening ceremonies which led to 150,000 visitors during December.

(e) Operation Foresight: In August, the 56th Ordnance Detachment (ED) at Indian-town Gap Military Installation, Pennsylvania, sponsored Operation Foresight, a program which involved the collection of Civil War souvenirs of local residents for the purpose of determining whether or not the items are safe.

3. Media Support:

All reports from the contributing commands indicate that support given to and received by the various news media is maintaining a high level.

(a) Helicopter School: National news coverage was received by a UPI feature story on U.S.A. Primary Helicopter School, Fort Wolters, Texas. The film entitled "Fort Wolters is Saigon to Fledgling Army Pilots," also discussed the training program in general and was centered on the use of Vietnamese names for training sites.

(b) National Geographic: A photographer from the National Geographic Magazine photographed individuals processing to and from Vietnam at the Oakland Personnel Center and Travis Air Force Base.

The magazine plans to include these photos in a 40-50 page story entitled, "World-Wide Army," which will be featured in an early 1968 edition.

(c) Strong media support continued for Vietnam returnees during the reporting period. All national news media carried the awarding of the Medal of Honor to Sergeant David Charles Dolby by President Johnson at the White House.

(d) During the first reporting quarter, the information officer at Fort Belvoir, Virginia, wrote, produced and broadcasted 64 daily

radio programs which were broadcasted over WAVA radio. In addition, 20 "beepers" or special radio reports were made for special events at the Engineer Center.

(e) Major television coverage was given to riot control demonstrations held at Fort Belvoir on 4 October. Representatives of all major TV networks and news magazines were on hand to cover the event which was sponsored by the Provost Marshal General and hosted by the Commanding General, U.S. Army Engineer Center.

4. Speakers Program:

(a) All reporting commands indicated an active Army Speakers Program during the reporting period. The demand for Army speakers on Vietnam has also increased during the period. An estimated 1,000 speakers per month are scheduled and requested CONUS-wide to speak on Vietnam.

(b) During the reporting period, Fort Benning, Georgia, scheduled more than 30 speakers which reached an audience of more than 1,000 people.

(c) Fort Leavenworth, Kansas, reporting a lively speakers program, supplied more than 50 speakers to cover more than 10,000 listeners.

(d) Approximately 400 speaking engagements and public appearances of Army personnel have been scheduled through CINFO alone. There were countless speaking engagements CONUS-wide that were not reported.

(e) Speechmaker Kits: These kits are made-up and distributed by the Command Information Unit. During the reporting period, one kit was revised and almost 3,000 sets were sent to over 2,000 addresses. Eight additional speechmaker kits are presently under revision.

5. Cooperation with Organizations:

(a) The Signal School Information Office at Fort Monmouth, New Jersey, assisted Broadcast News, the house organ of RCA, in the preparation of an extensive article on educational TV at the Signal School.

(b) Operation Florida Sunshine: Army officials cooperated with local officials on the Operation Florida Sunshine program in Miami, Florida. This is a pilot program to honor hospitalized Vietnam returnees by providing them free vacations in Miami.

(c) The 122nd Quartermaster Command of the Alabama National Guard performed its annual field training along the military pipeline in Alaska. With the mission of planning, controlling and supervising the supply of petroleum products to a Theater Army in Alaska, the 70-man unit worked with the U.S. Army Alaska Support Command for the second straight year.

(d) Over 475 pints of blood were donated to Blood Centers in Northern California by 91 units of the 91st Division (Tng), USAR. Another 78 pints of blood were given by the 351st and 427th Civil Affairs Units. Many letters of appreciation were received.

(e) Student cooks of the 4th Brigade, Fort Ord, California, cooked and served a hearty Army-style breakfast for 1,400 guests attending the Monterey County Fair. This breakfast afforded the Army the opportunity to demonstrate its ability in mass feeding and provided excellent Army community relations.

6. Civilian Aides to the Secretary of the Army Program:

(a) The program of Civilian Aides to the Secretary of the Army serves as a two-way means of communication between the Army and the public. As unpaid advisors to the Secretary and to local commanders, a civilian aide recommends and assists in ways of enhancing understanding and cooperation between the Army and civilian communities. All reporting commands indicated a continuing liaison with civilian aides. The Fourth Army Area Civilian Aides Conference for 1967 was held at Fort Wolters and the Fort Worth-Dallas, Texas area. The principle sub-

jects presented were the training of helicopter pilots and the planning and execution of attendant training at Fort Wolters. The First Army conducted an area conference for civilian aides at Fort Monmouth, New Jersey on 12-14 November.

7. Musical Support and Participation:

(a) The U.S. Army Field Band: The U.S. Army Field Band made a total of 225 appearances at concerts, special engagements and parades during the reporting period and enjoyed a total of listeners in excess of 435,000 at separate appearances in almost 100 cities.

(b) The Sixth U.S. Army Band played for 100,000 people at the State Fair, Sacramento, California on 8 to 10 September. Thousands of others viewed an impressive military ceremony televised over major television networks at the close of the fair. The Sixth U.S. Army Band and Color Guard performed for 300,000 at 60 community events during one quarter of the reporting period.

(c) Military District of Washington: The MDW continued to coordinate and support Armed Forces participation in ceremonies for visiting dignitaries in the Washington, D.C. area. There were 1028 full honor ceremonies for such visiting dignitaries as Princess Alexandra of Great Britain, the Prime Minister of Japan, and the President of the United Mexican States. The U.S. Army Band and Chorus appeared at 367 ceremonies during the reporting period.

(d) Other Bands: Fort Campbell, Kentucky, reported 24 engagements for their Band during the period and 11 Band requests were filled by Fort Jackson, South Carolina, for the same period.

8. Parachute Demonstrations:

(a) The Golden Knights: During the reporting period, the U.S. Army Parachute Team, the Golden Knights, made 88 appearances throughout the country and jumped for a total audience which numbered in excess of 2,600,000 spectators.

(b) Other Parachute Teams: Press, radio and television coverage was given to the performance of the Fort Hood, Texas, Skydiving Club at the Heart O' Texas Fair in Waco during 3 to 7 October. Viewing the demonstration was approximately 350,000 spectators.

(c) Performing before an audience of 5,000 people, the Fort Ord, California, Parachute Club participated in the "Salute to Aviation" at Salinas, California.

9. Orientation Tours and Open Houses:

(a) Operation Understanding: ARADCOM continued its highly successful Operation Understanding flights and tours. The program aims at acquainting influential members of local communities with the operation of ARADCOM units. During one of the reporting quarters, approximately 500 Operation Understanding visitors representing industry, county and state governments, educational institutions and the professions visited the U.S. Army Air Defense Command Center at Fort Bliss, Texas. Visitors were briefed on the missions and activities of the center and witnessed scheduled missile firings.

(b) Other Tours: "Family Day" at the Presidio of San Francisco was attended by more than 1,000 members of the AUSA, families and guests. Exhibits, demonstrations, and audience participation activities were set up on the main parade field, bus tours were conducted and a fried chicken lunch was served.

(c) Groups totaling more than 400 toured the training and educational facilities at Fort Monmouth, New Jersey.

(d) Thirteen tours were conducted by Fort Jackson for 798 representatives of schools and local civic groups at Fort Jackson, South Carolina. Twenty-eight foreign and domestic military officers also visited the installation.

(e) Six Japanese reporters, on a State Department tour, were briefed on the mis-

sion, organization and capabilities of Fort Bragg, North Carolina. They were also given a tour of the installation.

10. Support to Youth:

(a) Boy Scouts: All reporting commands indicated a strong Boy Scout support program. Twenty-four on-post encampments and nine guided tours for Girl Scout and Cub Scout units were conducted by the Youth Activities Branch of Special Services at Fort Knox, Kentucky, for 689 scouts and 91 leaders.

(b) Approximately 400 Explorer Scouts from Northeastern Kansas counties attended the Annual Explorer Conference at Fort Riley, Kansas, on 18 to 19 November.

(c) Other Youth Support: On 19 August, a Bicycle Rodeo was held for 600 youngsters at Carlisle Barracks, Pennsylvania. Under the direction of the Post Safety Officer, the children received a safety talk and were given a trial-run on a test course and were scored on both riding and written exams. On 4 July, approximately 10,000 civilians and soldiers participated in the Youth Activities Carnival at Fort Benning, Georgia.

(1) Forty-two tours were conducted at Headquarters, Sixth Army, Presidio of San Francisco for 1,800 children from poverty and distressed areas in conjunction with Army support to summer welfare programs.

(2) Operation Santa Claus: Operation Santa Claus climaxed its 1967 campaign on 19 December with a toy-laden motorcade through Fort Bliss and El Paso, Texas. The caravan delivered approximately 26,000 toys for distribution to the needy by the Boys Club of El Paso.

(3) The children of a crowded tenement district in San Pablo, California, were provided with a wooden footpath which was constructed by the 820th Engineer Battalion, USAR. The footpath was used as an approach for a local playground.

11. Exhibits:

(a) U.S. Army Exhibit Unit: Twenty-two exhibits of the U.S. Army Exhibit Unit were displayed in 34 states and more than 120 cities throughout the country. A total of 508 minutes of television coverage was received along with well over 3,000 minutes on the radio and more than 4,000 column inches of news coverage in local newspapers.

(b) Other Exhibits: The 47th Brigade in California showed a total of 3,000,000 people a missile display during ten days of appearances in Southern California.

12. Special Events:

(a) The first of eight Army Warrant Officer orientation courses scheduled for Fort Sill, Oklahoma, was conducted with 156 students participating. The course was the first of its kind in the Army and received much favorable news coverage locally.

(b) New Heliport: The new heliport at the U.S. Army Helicopter Center, Fort Wolters, Texas, became operational on 15 December. The 3.8 million dollar heliport is located near Palo Pinto, Texas.

(c) Reactivation of 6th Infantry Division: The 6th Infantry Division was reactivated during the reporting period at Fort Campbell, Kentucky.

(d) At Fort Campbell, the departure of the 101st Airborne attracted much interest from national news media. NBC and CBS were among those covering the event.

(e) 2,000,000 Flying Hour: The 2,000,000 Flying Hour was recorded at the Primary Helicopter School, Fort Wolters on 31 July. Coverage was received from the Army Times and the Journal of the Armed Forces among other media.

(f) Anniversaries: Many Army installations celebrated their anniversaries during the reporting period.

(1) Fort Lewis, Washington, celebrated its 50th Anniversary on 15-16 September.

(2) The U.S. Army Intelligence Command (USAINTC) celebrated its 50th birthday at Fort Holabird during December.

(3) Fort Hood, Texas celebrated its 25th anniversary and received much local media coverage.

(4) Fort Sam Houston, Texas, celebrated its 88th birthday.

(5) In recognition of Fort Devens, Massachusetts 50th anniversary, a "Salute to Fort Devens" was planned and executed by local business firms.

(6) The Army Transportation School at Fort Eustis, Virginia, celebrated its 25th year with excellent media support.

13. Posthumous Awards:

(a) Decorations awarded for Vietnam service received favorable response from the news media as indicated by the contributing commands.

(b) Cold War Memorial plaques to Signal Corps personnel who have lost their lives in recent wars was dedicated at the U.S. Army Signal School by the Commanding General, USCONARC.

(c) OCINFO coordinated press activities for the posthumous awards of the Medal of Honor for First Lieutenant James A. Gardner (19 October); Captain Joseph X. Grant (30 November).

(d) Posthumous awards of the Medal of Honor for Sgt. James W. Robinson, Jr. (12 July) and SSgt. Jimmie G. Stewart (24 August) were also coordinated through OCINFO.

14. Reserve Components:

(a) The 489th Civil Affairs Company, Knoxville, Tennessee, exchanged their normal two weeks in the field for two weeks "on-the-job training" in the operation of the Metropolitan government in Nashville.

(b) Army Reserve Units from the XII Corps received maximum assistance during annual field training from the Information Office at their training site.

(c) The 339th U.S. Army Garrison of Chattanooga, Tennessee, was assigned to activate and operate Camp Shelby, Mississippi, for a three-week period of training from 9 to 29 July. This was a history making active training tour for the unit which provided all support elements for the 30th Armored Division (NG).

(d) The annual U.S. Army Corps Rifle and Pistol Matches were covered by 12 newspapers throughout the Pacific Northwest.

(e) All reporting commands indicated strong media support for Reserve and National Guard ANANCDUTRA. Much support was also given to ROTC summer camp activities throughout CONUS.

15. Other:

(a) News Releases: All commands reported a consistently high number of news releases for the reporting period. First Army alone reports approximately 50,000.

(b) Allied students in the U.S. Army Armor School, Fort Knox, Kentucky, engaged in 7 educational and cultural projects during this period. Activities included a three-day visit to New Orleans, Louisiana, and participation in the YMCA World Festival held in Louisville, Kentucky.

(c) Operation Appreciation: As an example of the growing support for Vietnam returnees, Laurel, Maryland, citizens initiated Operation Appreciation. The local officials and the Chamber of Commerce have supported the collection funds, materials and services from local residents to provide recognition to wounded servicemen who are now recuperating in local hospitals. Although, originally a local program, public interest has developed to such an extent that statewide support is received.

(d) Action Vietnam: The Evergreen Service Club at Fort Dix, New Jersey, sponsored the project "Action Vietnam" which resulted in more than 15,000 Christmas cards and letters being sent to servicemen in Vietnam. Thousands of toys and other gifts were also distributed to the children in a Vietnamese orphanage.

16. Problem Areas and Solutions:

(a) Lack of qualified personnel: This continues to be a problem area with most of the reporting installations during the reporting period. Since the departure of the 101st Airborne Division from Fort Campbell, the Information Officer is operating under a TD which does not provide sufficient personnel to do its job adequately. At Fort Rucker, the Information Officer lost one civilian and five military personnel going overseas.

17. Forecast, 1 January 1968 to 30 June 1968:

(a) Reoccurring types of programs reported in previous part of this report will be continued. All commands indicate that continued emphasis will be placed on community relations activities in their respective areas of responsibility.

(b) U.S. Army Field Band Tour: The U.S. Army Field Band will conduct a 69-day tour of the Northern Midwest United States. The Band and Chorus are scheduled to depart 15 April.

(c) Armed Forces Day Support: The greatest amount of support has been and will continue to be given to various communities and organizations in connection with Armed Forces Day celebrations and observances.

(d) Due to the tremendous increase of interest in Vietnam, a proportionate increase of requests for Army speakers is being handled with a maximum effort to fulfill all requests CONUS-wide.

16. (b) Funds: Fiscal funding reduction throughout the Army establishment have been of significant magnitude in Community Relations areas. These unforeseen and continued reductions have had an adverse impact on provision of CR assets at Government expense.

(c) Airlift for Community Relations: Airlift for Community Relations purposes continues to affect Army ability to support justifiable high-priority CR activities.

17. (e) Support for HemisFair '68 will come to fruition during this period.

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DEPARTMENT OF THE ARMY SEMI-ANNUAL COMMUNITY RELATIONS REPORT, JANUARY 1-JUNE 30, 1968

1. Da Support in Disturbances and Civil Disasters:

Department of the Army, in its role of supporting the civilian community in time of emergencies and disasters whether on a local, regional or national level, stands ready to be of assistance whenever its help is needed.

During massive floods which inundated parts of four New England states on 18-19 March 1968, Army Engineers provided a constant flow of accurate and timely information to the public and the press media, and also gave technical advice to the distressed communities. Public appreciation was reflected both in many phone calls and letters to the Division Engineers.

2. Good Neighbor Acts and Community Service:

Countless good-neighbor acts and community service acts occur daily at all Army installations CONUS-wide which have liaison with the local communities. Most of these go unreported, while still others are considered to be standard operating procedure, that is, to cooperate and assist the civilian community whenever feasible or practicable.

Soldiers in the 8th Battalion, 7th Artillery, Fort Bliss, Texas, are spending their free time with "SERV" (Service to El Paso Reserve Volunteers), a program of service to the underprivileged children in El Paso. In March, the men secured assistance of a local department store in providing tennis shoes for some sixty children so that they could participate in athletic programs. In addition to many hours of volunteer work, the 7th Artillery personnel have contributed more than \$700 to the projects undertaken by

SERV. They have donated time and funds for the establishment of a new Boys' Athletic Center and are presently raising money to furnish the club with much-needed athletic equipment.

3. Media Support:

All reporting commands indicated a high level of cooperation with media representatives along with a high degree of interest on the part of the audio-visual media to publicize the Army in all aspects from the basic training level to the advanced, technical Army material.

A camera crew from WTIC-TV, Hartford, Connecticut, filmed the first 24 hours of an inductee at the Reception Station, U.S. Army Personnel Center, Fort Dix, New Jersey. Areas filmed included: haircuts, clothing issue, and in-processing. The crew returned three weeks later and spent three days filming all phases of basic combat training, and interviewed more than 100 trainees. The final product was an hour-long TV program shown during prime viewing time.

4. Speakers Programs:

Throughout CONUS, all reporting commands concerned reported a high level of requested and filled speaking engagements. The majority of speech topics was Vietnam. While a total of speaking engagements is impossible to ascertain, Third Army alone reported well over 200 speakers who reached an audience of over 30,000. The Army War College located at Carlisle Barracks, Pennsylvania, sent speakers to more than 15 communities on Memorial Day alone.

During the six-month period, 1200 speaking engagements and public appearances were reported to OCINFO, CONUS-wide.

5. Cooperation with Organizations:

Aside from support and cooperation with many national organizations, to include: Veterans, Boy Scouts, Red Cross, Combined Federated Campaigns and others, the many local commands reported such participation in many instances.

In cooperation with the San Francisco Unified School District, the Sixth U.S. Army Information Office furnished a program to keep children active in worth-while projects during the summer vacation. The 40th Brigade sponsored two Nike Hercules Site Tours for 100 underprivileged children. On another occasion, 50 school children were given a briefing and were shown the film "Warning Red," at the San Francisco Army Air Defense School.

6. Civilian Aides to the Secretary of the Army:

The program of Civilian Aides to the Secretary of the Army serves as a two-way means of communication between the Army and the civic community. As un-paid advisers to the Secretary and local Army commanders, the Aide recommends and assists in ways of enhancing understanding between the Army and civilian communities.

The Sixth U.S. Army at the Presidio of San Francisco, California, held its annual conference for Civilian Aides on 2 to 4 November 1967. Six Aides attended and were given tours of Sixth Army Headquarters and nearby installations and participated in many activities.

Civilian Aides' Conference:

The Commanding General, Military District of Washington, was host to the Fourteenth National Conference of the Civilian Aides to the Secretary of the Army, 28-30 April. Sixty-six aides from 50 states, Puerto Rico and the District of Columbia attended; other conferees included top Army commanders and selected officers of their staffs. The Deputy Information Officer served as the command project officer for the conference. Photographic support, available from within the command, was augmented by personnel from Army Photographic Agency; Army Security Agency and The Army Digest. The conference was successful, however, prepara-

tion was severely hampered by the April civil disturbances.

7. Musical Support and Participation:

Every reporting command which is assigned a band reported participation by their musical units in community relations functions throughout the reporting period.

The United States Army Field Band is the official Department of the Army touring musical organizations. As one of Army's most effective community relations representatives, the Field Band tours pre-determined segments of country twice each year in the spring and fall. During the reporting period, the Army Field Band played at 318 concerts, parades and special engagements to a total of more than 610,000.

The U.S. Army Chorus of the U.S. Army Band at Fort Myer, Virginia, extensively toured the New England states during April and May.

The April civil disturbances precipitated by the death of Doctor Martin Luther King, Jr., the Poor People's Campaign in May and June, and the death of Senator Robert F. Kennedy in June all tended to curtail routine community relations and public information activities at Military District of Washington Information Office and necessitated realignment and short term reorientation of the information effort in each instance. All personnel of the Military District of Washington Information Office participated in accomplishing all phases of information responsibilities related to these events. Despite the turmoil attending such crisis situations and the numerous unusual problems encountered, the overall program effectiveness was satisfactory.

The Information Officer, Military District of Washington, coordinated arrangements for The United States Army Band; the 257th Army Band of the District of Columbia National Guard; the 75th U.S. Army Band (Fort Belvoir); and the Fife and Drum Corps, 1st Battalion (Reinforced), 3d Infantry (OLD GUARD); to present seven concerts in disturbed areas of the city in late April. The concerts were presented at schools and recreation areas whose facilities had been made available for billeting or the comfort of deployed troops. Several of the school student bodies reciprocated by presenting entertainment for the troops in their vicinity. The long range effect of this program cannot be assessed this early, but the initial impact was gratifying.

8. Parachute Demonstrations:

Local Army parachuting organizations reported activity during the reporting period, including several appearances by the United States Military Academy Parachute Team.

The U.S. Army Parachute Team of Fort Bragg, North Carolina, performed at 65 public open-houses, fairs and festivals and thrilled a total audience of almost 2 million viewers.

9. Support to Youth:

As in the past, the United States Army supported organized youth programs and groups. Army installations CONUS-wide provided facilities for Boy Scout, Cub Scout and Explorer activities. Tours, marksmanship training, and instructional periods are among the areas of support provided.

The Department of the Army has given its full cooperation to organized groups of disadvantaged youth as outlined in the President's Youth Opportunity Program. This support has been in the form of transportation, tours, recreational programs, and loan of equipment and facilities.

10. Exhibits:

During the reporting period, exhibits under the jurisdiction of various CONUS commands participated in open-houses, civic functions, festivals and other events in the civilian domain.

The U.S. Army Exhibit Unit, Cameron Station, Alexandria, Va., is another of Department of the Army's most valuable tools for communicating the Army mission to the

public and promoting a clearer understanding of Army's goal. A total of 1100 touring days for as many as 22 exhibits seen all over the country by close to six million viewers attests to the value of such a community relations tool.

11. Problem Areas and Solutions:

U.S. Army Parachute Team: Requirement for air transportation and jump platform in support of the U.S. Army Parachute Team grows larger as time passes. As one of only a few community relations tools under Department of the Army, the U.S. Army Parachute Team is an elite and exceptional group of highly trained professionals who devote much of their time to gaining public understanding of the Army's mission and thus also benefiting the Department of Defense.

As popularity of the Army Parachute Team spreads—as it does quite rapidly—so do requests for its participation in both civilian and military events, fairs and open houses.

In order to fulfill its mission, the U.S. Army Parachute Team is in definite need of consistent air transportation and jump platform support.

To negate this deficiency, adequate permanently assigned aircraft to support the team is a necessity.

A definite need also exists for sufficient Special Air Mission (SAM) aircraft for use in support of the Army Community Relations effort in general.

Armed Forces Day Material: Many reporting commands reported that distribution of Armed Forces Day materials was received too late to effect practical use of the materials prior to planned Armed Forces Day activities (See Armed Forces Day Report dated 28 June 68).

12. Forecast, 1 July to 30 December 1968: Reoccurring types of programs supported by the Army will continue. All commands indicate that continued emphasis will be placed on community relations activities in their respective areas of responsibility.

The United States Army Field Band will embark on its two-month Fall 1968 tour of the Northeastern United States and Canada.

[Report Control Symbol DD-PA(SA)652]

DEPARTMENT OF THE ARMY SEMI-ANNUAL COMMUNITY RELATIONS REPORT, JULY 1, 1968-DECEMBER 31, 1968

1. Exceptional accomplishments and results:

(a) Good neighbor acts and community service:

Countless good neighbor acts and community service acts occur daily at all installations CONUS-wide which have liaison with the local communities. Most of these go unreported, while still others are considered to be "standard operating procedure," that is, to cooperate and assist the civilian community whenever feasible and practicable.

Men of the 2d Battalion, 52d Artillery, 47th Artillery Brigade, who gave a Christmas party for children of the Homestead Home for Retarded Children, Homestead, Florida, have been supplying continuing labor, money, and time to the home for the past year. It is felt that this assistance has been a major contributing factor in the home's growth from a privately-owned institution caring for 24 children to a nonprofit organization helping 63 children.

A combined community relations and public information effort was made to obtain off-post areas in Central Texas for Fort Hood unit training exercises. This program has gradually overcome the opposition and ill-will from past experiences in this area. Partially educational, partially publicity, this program has made certain the land-owners understand why land is needed and also included a successful effort to thank them by inviting them to view the exercises.

A new method of honoring area ranchers who donate their land for use in the flight

training program at Fort Wolters, Texas was initiated in December with the presentation of a gate plaque to rancher Bill Echols of Caddo. The plaque states that the recipient is "A Member of the Team."

The friendship of young soldiers for other members of their training company was demonstrated in a news release at Fort Polk, Louisiana about voluntary help given a private by 36 trainees and his company commander. During the first weeks Private Nathaniel Collins was in training, his father died, and his distress was compounded by his concern for his mother, who was left to manage a 125-acre farm alone. Private Collins requested a weekend pass to go help his mother as much as he could in that time. Learning of his trouble, his company commander and 36 members of Company C, 2nd Battalion, 1st Basic Combat Training Brigade, voluntarily gave up their weekend off duty time and went to Waterproof, Louisiana, to assist Collins and his mother with two days work on the farm.

Employ the Handicapped Week, October 6-12, was observed by Army Materiel Command installations throughout the country to pay tribute to its handicapped workers. This tribute furthered the Civil Service Commissions program of recognizing the outstanding accomplishments of these employees and to focus attention on opportunities for the handicapped in the Federal service. The Red River Army Depot in Texas, Umatilla Army Depot in Oregon, and the Atlanta Army Depot in Georgia were among the many agencies to inform the public that 10 percent or more of their work force are handicapped employees, and who "have outstanding records, performing effectively in varied assignments throughout the installation."

Carlisle Barracks, Pennsylvania held its annual Bicycle Rodeo for 600 dependent and community youth in August. Under the direction of the post safety officer, the children received a safety talk, were given a trial run on the test course and were scored both on riding and written exams.

The 36th Civil Affairs Group, Fort Lee, Virginia, conducted a summer program entitled "Operation Patriotism." Members of the Group acted as counselors for a retarded children's summer camp at nearby Camp Baker. Each Wednesday for eight weeks, members of the unit worked with crafts, took the boys on nature hikes, taught swimming and athletics, set up tents and other such activities. About 25 men from the Group participated each week. The Fort Lee Band (396th) also presented concerts at the camp.

Seaside, California High School students who were studying aviation science were thrilled when the Combat Developments Command, Fort Ord, California loaned the students a "Whirlymite drone." The one-third size mockup helicopter was used to acquaint the students with mechanical operations and flight characteristics of aircraft.

(b) Recognition to servicemen, awards and decorations:

On 23 November, for the third year in a row, the Chamber of Commerce of Tracy, California, in conjunction with a number of veterans organizations and private individuals (and with the active cooperation of the Public Affairs Director, Tracy Defense Depot) treated 10 patients from Letterman Army Hospital and 10 from the U.S. Naval Hospital, Oakland, California, to an all day outing including a pheasant shoot and steak dinner at Tracy's finest restaurant. Everything for the hunt was furnished, including weapons, ammunition, dogs, jeeps, and gun-bearers for the men on crutches. The patients brought down a great many birds which were dressed out and given them. Each patient was also given a sou-

venir hunter's hand warmer with his name engraved on it; color polaroid pictures of the occasion; and the best marksman (a Letterman amputee patient) was awarded a leather-covered wine decanter in the shape of a pheasant.

"Project Sleighbells," by which the families of a number of bed-ridden patients were flown to San Francisco from all over the United States to spend Christmas with their sons, husbands, and brothers, was successfully carried out for a third year. To make this possible at no expense to the families, money was contributed to the Letterman General Hospital Donated Fund by such organizations as the Veterans of Foreign Wars, the Presidio Society, and a number of private individuals. Many airlines coordinated air transportation and Mr. Paul Handery of Handery Hotels made a block of hotel rooms available to the families. In all, some 35 persons comprising the families of 16 patients participated in the project.

Several Army Materiel Command installations have developed a "shadow box" type of frame to showcase the medals posthumously awarded the soldiers and presented to survivors. The medals have usually been mounted on a red cloth background in a 16x20 inch shadow box framed with glass and an engraved brass plate with the name and rank of the deceased. In most cases the commanding officer of the agency concerned personally made the presentation. The CO or his representative at Frankford Arsenal in Pennsylvania presented 30 of these boxes during the period October-December. Similar ceremonies were conducted by the Commanding Officer of the Savanna Army Depot in Illinois, as well as by the Commanding General of the Tank-Automotive Command in Warren, Michigan.

Army Materiel Command's Electronics Command at Fort Monmouth, New Jersey, however, developed a different form of presentation. On direction of the Commanding General, the command has purchased leather covered albums which are engraved in gold lettering and contain two glassine windows. In one is an 8x10 inch color photo of the posthumous award ceremony and the other contains a personal letter from the Commanding General. Since the program was initiated in June 1966 to the present, the Commanding General has made more than 135 presentations. When both the widow and the parents attend such a ceremony, separate albums are sent to the widow and the parents.

(c) Support to youth:

A successful summer of participation in the President's Youth Opportunities Program was completed at Fort George G. Meade, Maryland. More than 1,800 disadvantaged children used the swimming pool, softball and picnic facilities on a five day a week basis for 10 weeks. The program also included temporary summer-hire in many offices on the post.

At Fort Ord, California, 258 students were hired under the Youth Opportunity Corps program in jobs ranging from clerical to firefighting. All students were in the 16-21 year group and had completed 9-15 years of schooling. Approximately 60 percent were members of minority groups.

The annual toy drive, "Operation Santa Claus," at Fort Bliss, Texas terminated with more than 30,000 toys collected and turned over to the Boys Club of El Paso for distribution to needy children of the area. This was the sixth year that Fort Bliss cooperated to supply the toys.

(d) Musical support in participation: Army Bands assigned to it has reported —

Every reporting command which has Army Bands assigned to it has reported participation by their musical units in community relations throughout the period. This participation included civic parades of the 4th of

July, Labor Day, Veterans Day and other community celebrations and, since the beginning of the school year, many local bands have presented school concerts.

The United States Army Field Band is the official Department of the Army touring musical organizations. During the reporting period, the Army Field Band conducted a 50-day tour in the New England area. It also presented a total of 180 concerts, parades, and special engagements both on tour and in the Greater Baltimore-Washington area during the period reaching an audience of more than 500,000 people.

During the reporting period, the United States Army Band and Army Chorus presented 13 weekly concerts at Watergate, East Capitol Plaza and participated in the Torchlight Tattoo at Jefferson Memorial. In December, the Army Band and Army Chorus also presented the annual Night of the Miracle pageant at Constitution Hall. Additionally, the Band and Chorus performed in 76 other engagements to include concerts, receptions and official ceremonies at the Pentagon, Fort Myer, Fort McNair, Arlington National Cemetery and at the White House.

(e) Speakers programs:

Throughout CONUS, all reporting commands reported an increased number of requests for speakers at the local level. The topic of Vietnam remained highest on the list.

(f) Exhibits:

During the reporting period, most of the major commands of the Army provided exhibits and displays for open houses, civic functions, festivals, conventions, professional meetings and other events in the civilian domain.

The U.S. Army Exhibit Unit, Cameron Station, Virginia, is the Army's formal and official exhibitor. A total of 1,443 touring days were recorded, as many as 22 exhibits were seen all over the country by close to 13½ million people during the reporting period.

2. Problem areas:

(a) Problems overcome:

Fourth U.S. Army, Fort Sam Houston, Texas, reports that the results of a story by von Hoffman about the alleged drug abuse in the Army and the temporary banning of the Esquire Magazine in which it appeared at Fort Hood could have been a problem. As Fort Hood and Fort Sam Houston were mentioned in the article, these installations, as well as the Fourth Army Information Office, had a number of queries from local and regional sources. The queries were directed toward determining the actual situation at the two installations, and the factual information furnished the media is considered to have prevented a potentially highly unfavorable story from developing.

Fifth U.S. Army, Fort Sheridan, Illinois, has converted a growing problem into a major achievement, one progressing in magnitude. "Question and Answer" columns in newspapers and similar features in radio and television broadcasts became increasingly popular, with the public touring to these sources of information for answers to all sorts of questions pertaining to the Army, Army personnel and dependents. An effective, mutually helpful pattern of cooperation was established between the Army Information Office and the columnists to better serve the public and eliminate duplicative effort. The volume of incoming letters during the reporting period approximated more than 60 per month, with telephone calls exceeding 150 in the same period. The public awareness of the assistance thus available has been most valuable. Most queries require extensive research and numerous telephone calls to other Army agencies in addition to composing answers and placing them in letter form. To solicit factual information often requires the services of a person of officer rank. Because of the good will generated by

providing this service to the public it continues to be encouraged and sustained.

A commercial transport truck en route to Naval Ordnance Depot carrying 12 "Wall-eye" missiles overturned near Barstow, California, spilling its load along the highway. The 77th Ordnance Detachment, Fort Irwin, was assigned clean-up operations. In order to answer the numerous, immediate queries received, the Information Officer arranged for direct relay of progress from radio cars of the clean-up team through California Highway Patrol dispatcher to Fort Irwin. This system enabled immediate answer to queries and elimination of cause for alarm to the general public.

(b) National problems:

Local and national opposition to the proposed Sentinel anti-ballistic-missile sites continued to be a large problem throughout the reporting period. Information officers in the Chicago and Boston areas in particular had to maintain an almost round-the-clock monitor operation during the heaviest of the controversial periods.

(c) Problems requiring assistance:

The U.S. Army Parachute Team's requirements for air transportation and jump platform grow larger as time passes. The Parachute Team is an elite and exceptional group of highly trained professionals who devote much of their time to developing public appreciation of the Army and the Department of Defense. In order to fulfill its mission, the Army Parachute Team is in definite need of responsive air transportation and jump platform support. To negate this deficiency, adequate permanently assigned aircraft to support the team is needed. A definite need also exists for sufficient Special Air Mission (SAM) aircraft for use in support of the Army Community Relations effort in general.

FORECAST

All Army installations and activities report that they are well into planning for Armed Forces Day, Memorial Day, local civic celebrations and on spring community relations programs. Specific commands are planning for support of various celebrations as requested by OASD(PA) to include the 10th anniversary of the St. Lawrence Seaway and the Golden Spike Centennial.

Mr. FULBRIGHT. The Army, itself, has taken official recognition of the dangers inherent in having military men speak in areas of public controversy. Army regulation 360-5, which deals with general information policies, specifically states—

In public discussions, all officials of the Department of the Army should avoid discussion of matters which are the responsibility of other Government agencies, i.e., foreign policy is a responsibility of the Department of State.

In this connection, Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of a recent address by Maj. Gen. R. G. Ciccolella, entitled "The United States Role in Vietnam and Prospects for Peace."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MAJ. GEN. R. G. CICCOLELLA

It is an ironic fact of history that the longest armed conflict in which the United States ever has engaged has become the most controversial issue facing the American people today. This is the epic struggle between the forces of freedom and the forces of imperialist communism being waged in the rice paddies and the jungles and the moun-

tains and in the hamlets and villages of South Vietnam. It is a war about which I hold firm opinions, and it is an issue on which I have strong convictions.

I consider it a great privilege to meet with you and share with you my thoughts and my perspectives of Vietnam. My first perspective of the war is that of a professional soldier: I view this conflict in terms of the military situation but not unmindful of its vast political consequences. I view it also as a veteran of face-to-face negotiations with Communist officialdom, experienced at first hand with the duplicity, deceit and intransigence with which Communists pursue their objectives while conducting so-called negotiations. I think of Vietnam in deeply personal terms, for two of my sons—both young officers in the United States Army—have volunteered for combat duty there and a third son impatiently awaiting to join them as soon as he completes school. And, finally, I look at this war as an American citizen fully committed to the ideals which impel my country to spill her blood and spend her treasures on those distant battlefields. These are my perspectives.

It would have been easy for me to assemble facts and figures on Vietnam published by my Government and from these compile an address presenting official views of the United States involvement. However, I prefer to state my own personal views and opinions, and it is these which I have written for presentation to you today. Accordingly, I am speaking to you as an individual and not as an official representative of the United States or its army.

The armies of self-appointed experts on Vietnam seem to outnumber the armies fighting the war. If there are any experts on Vietnam, I believe that they can be found only in the ranks of those who have served there rather than in distant ivy-clad universities or in newspaper editorial offices or amongst office-seeking politicians or pontificating statesmen of so-called neutralist countries. I have not nominated myself to join the ranks of the self-appointed experts.

But I believe that I am competent to judge military aspects of our involvement and—on the basis of my experience and close observation—I believe that I am fully aware of communist ideologies and objectives which motivate our enemies and I feel that my desires and my hopes for peace—a just and honorable peace, not a peace at any price—are as great and as sincere as those of any American.

Recently, I visited Vietnam again, where some of my best friends are commanding United States forces actively engaged with communist units. I might add parenthetically that some of my best friends also have given their lives for the cause of freedom in South Vietnam. My military judgments reflect the judgments of American commanders in the field. These judgments, as you will note, are not necessarily the same as those of some elements of the press.

Before discussing the military realities of this war, I would like to mention the complexities of Vietnam, which long have received tremendous emphasis in the press, certainly there are complexities here; there are complexities in every armed conflict, and those of this war may well overshadow those of all previous conflicts. These complexities range all the way from fighting a major war with less than the applications of sufficient power to the establishment of a government, the building of a nation and the creation of conditions which will permit the nations of this region to live in peace and at a level of freedom of their own choice. However, many observers and critics have become so preoccupied with the complications that they have lost sight of the issues—if, indeed, they ever grasped the issues in the first place. Instead, these critics thrash about wildly

in their frustration to find solutions now to the long-range problems, while blindly ignoring the basic requirements which must evolve from the fundamental issues at stake. These people are much like the church-builders who want to put up the bell tower first before building the church proper.

When all the trappings of interpretive commentary are stripped away, one central reason for the United States involvement in Vietnam becomes clear. We are there to engage and defeat the invading forces of North Vietnam, actively supported and abetted by Communist China and the Soviet Union. We are there to prevent the conquest of a free Asian people and their forcible incorporation into a Communist state. This is the issue; there is no other. The resolution of this issue is fundamental to all the other problems and complexities involved.

Essentially, we are in South Vietnam for the same reason that we are in West Germany. We are there at the invitation and request of a friendly nation to help maintain the dimensions of the free world. The difference is that South Vietnam is under armed attack and West Germany is not—at least not now.

The outcome of the war in Vietnam is vital not only to the free nations of Asia, but to those of western Europe as well. The three worlds—the free world, the Communist world and the temporarily nonaligned world—are watching and are waiting on this outcome. At stake is the territorial integrity and security of free people all around the periphery of the Communist powers. At stake is whether there will be another Korea—another Vietnam; and at stake among the so-called neutrals and nonaligned is—whether or not they can continue neutral and nonaligned.

If we fail in South Vietnam, if the forces of communism win, then Asian nations that are now free will be forced into unfavorable accommodations with the Communist powers—and this includes the so-called neutrals and nonaligned. In such an eventuality the more militant and independent of the free Asian nations will be the targets and the victims of Communist armed aggression.

On the battlefields of South Vietnam, we have not failed. Insofar as the military aspects of this war are concerned, the Communists have been defeated. Their losses of manpower and materiel have been staggering. Their capability for substantial military action has been shattered. For more than a year they have been reduced to hit-and-run tactics against our military units and terrorist attacks delivered by stealth against unarmed civilians. Despite the hundreds of thousands of organized troops committed by the Communists to the struggle in South Vietnam—equipped with the latest and most modern weapons produced by the Communists' world arsenals—and despite all the propaganda, and ballyhoo accorded their every offensive venture, the cold bloody fact is that the Communists don't control a single city or village of any consequence in the whole of South Vietnam. Wherever he claims to be, we can go—wherever and whenever he chooses to stand, we can throw him out. Within the parameters enclosing our military effort in Vietnam we have decisively defeated the enemy. That we have defeated the military campaign of the enemy in Vietnam, there can be no question when one considers the inescapable fact that the Communist military forces were sent into Vietnam with the clear and evident intention to seize control of the country. Unfortunately, our military commanders cannot deliver the type of military victory our people have so long been accustomed to. This is due in large part to the limitations we have placed on the level of power permitted, the fact that U.S. commanders are not permitted to pursue the enemy to effect his total destruction, the sanctuaries we permit the enemy to operate

from and the very nature of a guerrilla campaign. To expect, as do some of the critics, that military victory requires a total end to all sneak raids, murders and harassing mortar and rocket attacks is like asking for an end to all muggings, rapes and robberies in Washington, D.C. To bring this sort of lawlessness to an end requires a fuller participation by the citizenry and the organs of government—and this takes time.

But this type of lawlessness in Washington, D.C., does not mean that the gangsters have taken over and that we need to negotiate a settlement with them on their terms. By the same reasoning the fact that a communist underground exists in South Vietnam and this underground can kill civilians and the fact that their regular formations can operate like bandits capable of occasional sneak attacks on installations, it does not follow that the communists have any meaningful military capability to exercise control over any part of South Vietnam. Nor does it follow that we need to negotiate on their terms. Time has run out for the communists on the battlefields of Vietnam, and no one knows it better than the communists themselves.

But anyone who knows his ABC's about communist aggression will take little comfort from the knowledge that the communists have been defeated on the battlefields because he knows too well that communists wage total war. He knows that when the communists embark on an aggression they wage an integrated campaign with shifting emphasis on the military, political, propaganda, economic and psychological fronts.

The Communists have been defeated on the battlefields of Vietnam—they have now shifted to the roundtable in Paris. We, too, are in Paris. But we are there to negotiate a peace; the Communists are there to wage war. They are there to gain concessions, to win by propaganda, by duplicity—psychological entrapments—what they have not been able to win by their military efforts in Vietnam. Their objective—the capture, the communization of South Vietnam—has not changed. Only the emphasis of their total war effort has changed—it has shifted to Paris. All the time they are in Paris—waging war by propaganda and political duplicity—they will integrate into their efforts the maximum effort from their waning military capability in South Vietnam. South Vietnamese villagers, city dwellers, men, women and children will die as a result of explosives being hidden in theaters, busses, restaurants, churches, hotels and homes. They will mount whatever coordinated attacks they can muster against our forces and may even succeed in temporarily capturing a portion of one of the cities in Vietnam. They will be able to do these things because they are prepared to pay the price in human lives—and human lives are the cheapest commodity in the Communist arsenal. This is a powerful bargaining position they carry with them in Paris. But any such success will be fleeting and will cost them dearly, and any such endeavor will result in a clear military defeat.

The Communists, however, will not be deterred by any such reckoning of the consequences of their acts of desperation. They are far too confident of their political and propaganda capability to persuade the world and our own negotiators that their depredations—their sneak attacks, abortive attempts to capture a village or a portion of a city—are in fact evidence of their military capacity in South Vietnam. They will seek to use these defeats to gain concessions. Incredible as it may seem, these and other propaganda efforts of the Communists succeed to a remarkable degree. And it would be an error on the part of the free world to underestimate this capability of the enemy.

One measure of that success is the extent

to which the Communist propaganda lines spill over into the non-Communist press.

In the Western-Oriented Nations and the United States itself, Communist propaganda can be judged successful if it creates confusion and doubt. In the so-called neutral and nonaligned countries, this propaganda succeeds to the extent that it weakens neutrality, wins support for North Vietnam and the Viet Cong, and brings about hostility toward South Vietnam and particularly the United States.

I do not mean to imply, nor do I believe, that the non-Communist press of the free world deliberately parrots the Communist line as a general practice. I do believe, however, that Communist reports, contrived and distorted for obvious propaganda purposes, sometimes influence the press—including some of its members who consider themselves so sophisticated and knowledgeable as to be immune to such influence. What happens in practice is that our press all too often highlights Communist claims and reports, giving them unwarranted prominence and importance. Communist claims and reports appear in our press, which obligingly repeats the euphemisms employed by the Communists—giving considerable credence and status to their claims. Only infrequently does one read that such claims are unconfirmed or—as reported by the Communist side and practically never as totally unsupported by fact and obviously Communist propaganda.

One of their principal offenders among the non-Communist press is our own *Stars and Stripes*. Note this headline in the February 24th issue—just three days ago—reporting on the latest Communist pretense to military effectiveness in Vietnam. "Red Guns Rip U.S. Viet Bases"—"Rubble Clogs Saigon's Central Market Area After Communist Rocket Attack on the Capital." One would surely gather from these headlines and picture that the Communists had indeed launched a major military offensive, our bases in Vietnam razed and in ruin and Saigon itself a mass of rubble. Nothing could be further from the facts. But the facts, also printed in the *Stars and Stripes*, are in far smaller print. If one reads the article carefully he finds that this Communist "offensive" amounted to seven rockets fired into Saigon, four national policemen and one civilian killed, eight civilians wounded—no American casualties. Hardly an offensive—and hardly worth mentioning at all. But what greater service can our own press provide Communist propaganda objectives than this type of headline reporting, unwittingly and certainly unintentionally, of course. It is getting so that when the Communist military forces freeze in Vietnam, the free world press catches cold. Another good example of what I am talking about is apparent in the press treatments of last year's Tet offensive as a great Communist victory, when in fact it was a great Communist disaster. So decisively defeated were the Communist forces in that abortive campaign that they have been unable to conduct anything other than hit-and-run bandit-type raids since then. Yet despite this defeat Communist propaganda, with its obvious influence in the non-Communist press, succeeded in creating a climate of opinion world-wide that they possess a powerful military capability in South Vietnam and that it was now necessary for the Allied powers to sue for peace.

Communist influence is apparent in press predictions of doom for the government and the military forces of South Vietnam. The press is replete with repeated charges of corruption and inefficiency in the government of South Vietnam. Segments of the press and prominent men—some in responsible and official positions—go so far as to demand the resignation of leading members of the duly elected government of the Republic of Vietnam. Now it is a curious anomaly, indeed,

to note that while this type of press treatment is being accorded to the duly elected government of the Republic of South Vietnam, we are beginning to read in the press about the representatives of the "National Liberation Front." The term "Viet Cong" is used less and less. Now it is the "National Liberation Front," and their representatives are being accorded titles of "Mr. Minister"—"Madame Minister"—"Premier." We are reading in our press about the beautiful lady representative of the National Liberation Front—diminutive, lovely, charming—a latter-day lady Robin Hood. Nowhere is it even suggested that this lovely "pearl of the Orient" in all probability, before arriving in Paris, was riding a motorcycle in Saigon tossing hand grenades into school buses and restaurants. Somehow it doesn't occur to our inquisitive and objective press or to the host of critics so concerned with corruption in the government of South Vietnam to ask these representatives of the National Liberation Front a few pointed questions such as—

Who are you?

Whom do you represent?

Who elected you?

Who appointed you?

Where is the seat of your government?

Where are your credentials?

Instead of arriving at the answers to these questions we find our press busily clothing these rascals with a status and dignity gratuitously and wholly undeserved.

The facts are that, far from being ineffective the South Vietnamese government is emerging as a strong, stable, responsible and responsive government that is daily increasing its effectiveness and that has clearly won the confidence and support of the great majority of the people in South Vietnam.

The South Vietnamese army is carrying its share of the combat load and daily increasing its share of the defense of the nation. The South Vietnamese army is fighting the war with skill and considerable courage.

Some of the press reports concerning South Vietnam have a familiar ring to me—they are reminiscent of the Korean war period and its aftermath. I became accustomed to reading that South Korea had no future; its government corrupt, unstable and hopeless; its army weak, lacking in fighting will and unable to stand except for American support. The world now knows how far wrong these assessments were. There is not the slightest question of doubt in my mind that the government of the Republic of South Vietnam and its armed forces—like those of Korea—will emerge strong, confident, stable and responsible. This view, I know, is shared by the top U.S. military commanders in Vietnam. It differs sharply from press reports—unquestionably influenced by Communist propaganda.

To appreciate more fully the effectiveness of Communist propaganda concerning Vietnam, one has only to note the changes in the attitudes of some of our old allies and in those of some neutral countries. Communist propaganda has been singularly successful in some neutral countries. Consider for example the conversion of Sweden from apparent neutrality to rabid partisanship for the Communist cause in Vietnam. Correspondent Joe Alexis Morris, Jr., writing for the *Los Angeles Times* from Stockholm, observes that anti-American demonstrations in Sweden related to our war effort in Vietnam have become routine. In a demonstration at the United States embassy, our President was burned in effigy and thousands of dollars worth of damage was done to the embassy. Although the Swedish Government later apologized, its government-operated television station featured a broadcast showing a Swedish reporter wiping his muddy boots on the United States flag. These outrages are symptomatic of the fact that, in Mr. Morris'

words, "Neither the government nor the opposition parties are ready to risk political attacks by questioning the popular belief here that the Communist cause in Vietnam is just and the U.S. policy is totally wrong." Some of the rationale used to support this attitude is that the U.S.—a large power—is picking on a small country, North Vietnam. That Sweden has been taken in and strongly influenced by Communist propaganda there can be no question but the history of Swedish neutrality is a curious collection of contradictions. When Nazi Germany invaded Belgium and Denmark and Holland there was a notable lack of concern in neutral Sweden for the little fellow. In fact, the Swedes not only openly trafficked with Nazi Germany during that period, selling them war goods, but also permitted the German army's passage through Sweden to attack Norway and Finland.

During World War II Sweden refused to grant asylum for a number of German servicemen attempting to flee from Hitler and turned them back at the border. At the end of the war some 150 Baltic State citizens who had fought in Hitler's legions and were then in Sweden were forcibly deported to the Soviet Union where they were brutally murdered by Stalin's police. Today, by contrast, the Swedish Government overtly entices U.S. servicemen to desert the U.S. forces by offering them asylum in Sweden. There are about 200 U.S. deserters now in Sweden provided sanctuary by that neutral country.

Correspondent Morris tells us that "the Government decision January 10 to establish diplomatic relations with Hanoi was widely welcomed." With regard to this recognition, Mr. Morris observes pointedly that there is an economic factor. Ever on the lookout for export markets, he writes, Sweden could reap trade benefits from its decision to recognize Hanoi.

It would be inaccurate to say that Communist propaganda alone is responsible for the shifting stands taken by some neutral nations, such as Sweden, certainly the economic factors—the lure of monetary gains—plays an important role. We see this trend amongst other nations now rushing toward accommodations with the main Communist aggressor, Red China.

History is replete with numberless examples of Judas', Benedict Arnolds, Quislings and the like, who sold their souls for 30 pieces of silver and then lived to regret and repent. But it is a relatively new phenomenon to note this malevolent malfeasance manifested in whole nations.

Returning now to the war in Vietnam, we find that the main Communist effort has shifted to Paris. The question uppermost in everyone's mind now is what are the prospects for peace and what can we expect?

Before attempting an answer to these questions it would be well to keep in mind that the Communists are in Paris to wage war, not negotiate a peace. They are there to gain their ultimate objective—the forcible incorporation of South Vietnam into the Communist organization. Short of that they will seek concessions which will lay the groundwork to permit the accomplishment of the ultimate objective at a later time. They will seek to accomplish these objectives by obtaining a unilateral withdrawal of American forces and the integration of Communist Viet Cong elements into the legal government of the Republic of Vietnam. In return for these concessions which will assure attainment of their ultimate goal, the Communists will indicate a willingness to sign certain accords—of a promissory nature—secure in the knowledge and intention to break them or flagrantly violate their provisions whenever it suits their purpose. Backing up this campaign strategy will be a clear and evident display of Communist intransigence, refusal to discuss or address any other issues, and a brazen assertion that they are willing

to continue the struggle for the next 20 years, if necessary. The full force of the world Communist propaganda apparatus will be brought to bear on both the free world and the so-called neutral, nonaligned world, picturing all Communist actions at Paris as sincere peace efforts and those of the U.S. and its allies as imperialistic measures to prolong the war. In Vietnam itself they will sacrifice their own men indiscriminately to create an illusion of military power and an atmosphere of despair and confusion.

It is of utmost importance that we have no illusions in this regard and understand clearly the nature of the conflict. We must conduct our negotiations at Paris with the clear objective of winning this phase of the campaign just as we have won the military campaign on the battlefields of Vietnam. To yield at the conference table in Paris is no less perilous than to yield on the battlefield of Vietnam. One step backward is followed by one step forward by the enemy.

Our determination to stick it out in Vietnam and in Paris must be no less convincing than the Communists. We must avoid conveying the impression that we are so anxious to negotiate a settlement that we are prepared to have concessions. This is the one major weakness the Communists are eagerly seeking and instantly prepared to exploit. We must reject out of hand any suggestions which would permit the Communists to subvert the legal Government of the Republic of Vietnam.

We must insist on the full and complete withdrawal of Communist forces from South Vietnam and from their sanctuaries in Cambodia and Laos.

We must expose Communist duplicity at the Paris peace talks and counter their propaganda. In this connection it would be well for the United States to take the lead in establishing an international organization with the sole mission of translating and interpreting Communist euphemisms and slogans. In order to negotiate with the Communists it is necessary to be able to communicate with them. It is also essential that the world at large understand the meaning of Communist statements and proposals, particularly as these relate to negotiations. This is why I would like to see an internationally-sponsored information agency set up to interpret Communist statements—for there is far more involved in such interpretations than mere translation from one language into another. Certainly the present practice of the non-Communist press parroting Communist euphemisms is clearly unsatisfactory. Here are some samples of the kinds of translations and interpretations with which this internationally-sponsored information agency would be concerned.

The Communist term—"People's Democratic Republic" actually in our language means an absolute Communist dictatorship in which the people are subjected to the unchallenged rule by a Communist Party hierarchy.

When the Communist side states it wants peace, this means that they want us to surrender.

When the Communists propose a mutual withdrawal of military forces, they mean a unilateral withdrawal of the military forces opposing them.

When the communists announce they are preparing to defend themselves, this means they are preparing to launch an attack.

When the communists ask for free elections, they mean rigged elections under unilateral communist supervision and control.

There are many others—I cite these merely as samples of what is needed for a clearer understanding of Communism.

If we do all these things, we will not lose in Vietnam and we will not lose in Paris, but unfortunately we also will not win with these measures alone.

My friends—fighting the communists on the battlefields and dealing with them at the conference table takes men who have courage and guts—men who can stand up under pressure and, most importantly, men who are not afraid to fight and who are willing to take risks. There is no place for weaklings, or cowards or compromisers or for traditional diplomats, no matter how clever and skillful they presume to be. The days of Metternich outfoxing his rivals and the clever repartees of Lloyd George and Clemenceau may bring back romantic memories of past successes but their application to today's realities would be akin to a child stepping into a cage of wild dogs carrying a kitten in her arms.

We can win in Paris and we can get concessions from the communists so as to arrive at a just and honorable peace, but only if we apply pressure. We need to apply the full range of pressures available to the free world—political, economic and military. In applying these pressures we need to present them in terms of alternatives with accompanying risks and penalties. The communist side must be confronted with the need to make hard choices with full recognition of risks involved. Unless the communists are made to weigh advantages and disadvantages and assess the risks and penalties associated with the options presented, we will not win in Paris—and the best we can hope for is another inconclusive arrangement such as in Korea with a continuation of tensions and a continuous confrontation of forces engaged in intermittent and sporadic fighting.

With Communist propaganda accelerating in response to Communist defeats on the battlefield, now is the time for the free world to close ranks—particularly the nations here in Asia, closest to the present danger area. Now is the time for the free nations to speak to the enemies of freedom with one voice. Unfortunately some of our friends are beginning to speak more loudly and more frequently about voluntary accommodations with Red China and the illusory advantages of trade with Communist states. Some of our friends are also talking loudly of loosening their bonds and dependence from the United States. While such pronouncements often have little more substance than political concessions to anti-American minorities, they do serve to encourage the Communists and make the achievement of a secure peace in Asia more difficult. A main objective of Communist propaganda is to alienate nations friendly to the United States. The propaganda war—the war for men's minds—goes on with increasing intensity.

In a world in which power prevails, the free world is more powerful than the world that lies under the yoke of Communism. Our power can bring peace and stability to this part of the world. But the achievement of such a peace demands that we stand together, loyal to our common cause, confident in our strength, and willing to use our strength whenever, wherever necessary to deter or stop communist aggression. Nothing short of this will guarantee peace in this part of the world.

Mr. FULBRIGHT. I put this address in the RECORD, although it is fairly long, because it is a good example of how some of the leading speakers of the Army ignore the policy statement I have just read from the regulations. Even speeches by civilians rarely go as far as this speech by Major General Ciccolella, who is the head of the U.S. Military Assistance Advisory Group in Taiwan. This speech is not only an all-out justification for the war in Vietnam but also for the cold war in general.

In Army regulation 360-61, which deals with Army information community rela-

tions, it states that Army "speakers will confine their remarks to discussion of subjects within the cognizance of the Department of Defense."

Furthermore, Department of the Army message 703436, dated February 1968, "Public Affairs Policy Guidance for Personnel Returning From Vietnam," deals specifically with subjects that should or should not be mentioned in public discussion. These included, according to an Army report supplied me, the specific admonition that "personnel should not speak on the foreign policy implications of the U.S. involvement in Vietnam."

We are not talking here of "muzzling the military"—that issue was fought out years ago. We are talking about military men using their position and their ability to travel around the country as a public relations tool designed to promote support of a political activity on which there is profound difference of opinions.

I ask unanimous consent to place in the RECORD at this point an article from the Washington Post of November 23 entitled "Major Held 5 Years by Vietcong Wages Fight on Doves in Congress."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAJOR HELD 5 YEARS BY VIETCONG WAGES
FIGHT ON DOVES IN CONGRESS

(By Bernard D. Nossiter)

With the sponsorship of hawkish congressmen and the knowledge of the Pentagon an Army major who is a Vietnam hero is attacking antiwar legislators and certain newspapers and magazines.

In the last two weeks, Major James N. Rowe has filmed at least 20 television interviews and cut six radio tapes with as many representatives. These are then sent to the home stations of the congressmen or used in Army "information" programs.

In addition, the major has filmed a 30-minute show for the Republican National Congressional Committee which is being offered to legislators from both parties. This performance, however, is more muted.

The personable and articulate Rowe, who spent five years as a captive of the Vietcong, repeats essentially the same theme in all his appearances.

On several shows, he has questioned the patriotism of Sen. George McGovern (D-S.D.). Rowe has also said that his captors exploited the statements of Sens. J. W. Fulbright (D-Ark.), Mike Mansfield (D-Mont.) and former Sen. Wayne Morse (D-Ore.).

He regularly charges The Washington Post, The New York Times, the Associated Press, United Press International, Newsweek, Time, Look and Life with supplying material that breaks the morale of American prisoners. He repeatedly accuses the media of spreading misinformation about the war in Vietnam and of playing down the views of militant senators.

The outspoken major, who is on temporary duty in Washington while making his broadcasts, also airs his views on some of the larger issues involved in the war.

He warns that a quick withdrawal would lead to a "blood bath" in Vietnam and enable Communists to take over other Asian nations.

According to Col. Lloyd L. Burke, an Army legislative liaison officer and Rowe's immediate sponsor, the Army's Chief of Staff, Gen. William Westmoreland, "knows of all his (Rowe's) activity on the Hill and approves of it."

Westmoreland had a private, 15-minute interview with Rowe after the major was brought here from Ft. Sill, Okla.

The House Armed Services Committee was impressed with the major's story and arranged a meeting at the White House between Rowe and President Nixon on Nov. 12. They were closeted for 25 minutes.

Rowe said he told the President of his experiences and of "the support of all my colleagues at Ft. Sill for his stand on Vietnam."

Although Col. Burke and other officers helping Rowe are somewhat uneasy about whether the major is breaching the historic separation of the military from politics, Rowe professes no concern on this point.

"We are entering into an ideological conflict," he said in an interview last week, "where the political and the military are married into one."

"If somebody says you can't speak and stay in the military, I would resign. . . . The things is, you're going to have to choose sides."

When pressed as to the propriety of a uniformed officer, on active duty, criticizing elected officials, Rowe replies:

"It really doesn't matter to me. If someone is speaking under a Vietcong flag, he's on a different political side and that's it. It's hard for the military not to take sides when a Vietcong flag is flying."

Major Rowe poses in reverse the problem raised by servicemen who sign antiwar ads and march in peace parades. One central difference, however, is the high-level sponsorship Rowe enjoys.

The trim, slight, blue-eyed major is 31 and comes from McAllen, Tex. He graduated from West Point in 1960.

IN ADVISER ROLE

He went to Vietnam in July 1963 as a Special Forces officer, a Green Beret, and served as an adviser to a company of irregulars in the Mekong Delta.

In October, his unit was ambushed and he was taken captive. On his fourth try, last Dec. 31, he made his escape and was rescued by an Army helicopter.

A man with a mission, he is eager, intense and concerned. In each filmed interview with a congressman, all in color, he describes the rigors of his captivity and how his captors attempted to turn him against the war.

Until late 1967, the Vietcong political cadre used propaganda from Hanoi and this he says, was "not really effective."

QUOTED FROM PRESS

In one characteristic tape with Rep. Edgar Foreman (R-N.M.), the major said that "the most devastating thing to my morale" came when his captors switched to American sources.

He goes on to say that they quoted from the AP, UPI, Time, Newsweek, Life, Look, The Washington Post and New York Times about racial problems, war protests, riots and draft card burners in the United States.

Later in the interview, Rowe said of his return to the United States:

"There is so much misinformation . . . very few accurate reports of what is going on in Vietnam . . . I believe in what we are doing . . . People in the United States are prejudiced as to what is going on in Vietnam."

The major was more specific in another color show he filmed with Reps. Thomas D. Downing (D-Va.) and G. William Whitehurst (R-Va.).

"If you take a broad look at the news coverage in the United States . . . it is the most biased I have ever seen."

He complains that criticism of the war is on the front page but Sen. John Stennis (D-Miss.) and John Tower (R-Texas), both prominent hawks, "will get three lines on page nine."

For Rep. Mark Andrews (R-N. Dak.), Rowe describes his feelings about last week's antiwar march. He says he saw many people who have never been to Vietnam, "coming from a relatively sterile environment, protesting about something they didn't understand."

VC FLAGS AT MONUMENT

He notes that Vietcong flags were flying around the Washington Monument and says "I had friends of mine who died in Vietnam fighting that flag."

"One thing that stood out," he goes on, was Sen. McGovern's remarks at the rally that the protesters "cherish the flag."

"I wondered what flag did he cherish," Rowe says. "What flag do they cherish?"

With Rep. Larry Winn (R-Kan.), Rowe says:

"It was really something to come back to the United States and see what the VC cadre told us was true . . . to see the VC flag . . . to see the American flag with the peace symbol on it . . . to see Sen. McGovern say we cherish our flag . . . I question what flag . . . Our flag was degraded"

For Rep. Sam Steiger (R-Ariz.), Rowe had to be prompted to name the legislators his captives had quoted to him. In that interview, he cites Fulbright, Mansfield and Morse as well as McGovern and says, "I heard them more than the others . . . I didn't believe people in our government could say things like that."

ON BROADER THEMES

"Then I began to wonder," he continues: "The one thing a POW can't do is wonder . . . Faith in a country . . . they can attack . . . that's their most effective weapon."

On broader political themes, the major has this to say:

To Rep. Page Belcher (R-Okla.), asking if the Paris talks were stalled because of a belief that Americans will yield:

"Concessions are a sign of weakness."

To Rep. Foreman:

"Precipitate withdrawal . . . would mean total victory for the Communists . . . it would be a slaughter of the troops left behind."

Thailand, Laos, the Philippines and Indonesia would all be threatened, he says. "If we don't stop them there, where will we stop them?"

The Army is understandably proud of Rowe who withstood great physical hardship and mental pressure to make a daring escape. But it is also, at least for public consumption, of two minds about the role he is playing.

Col. Burke, the legislative liaison officer, says "we slipped on one show, I think," in mentioning by name legislators whom Rowe dislikes. "It's a tactical error," the colonel says.

Big. Gen. Winant Sidle, Army Chief of Information, says that soldiers returning from Vietnam and speaking in public "must restrict themselves to what they know of their personal knowledge."

"They are not supposed to speak on foreign policy or the implications of the U.S. involvement in Vietnam."

The Army has no policy, he says, about criticism of media but is firmly against criticism of individuals, "especially members of Congress."

He declines to say whether Major Rowe has breached these guidelines.

Rowe says he talked with Gen. Westmoreland "in general terms" about his attacks. "I think I mentioned that antiwar politicians had a devastating effect," on prisoners, he says.

Westmoreland, he adds, wants him to make his first priority the book Rowe is planning to write about the Vietcong.

The more militant members of the House Armed Services Committee have no hesitations about the major and his public performance. One member, Rep. William Dickinson (R-Ala.), is credited with bringing Rowe to Washington.

Rep. Foreman, another Armed Services member, concluded his 30-minute tape with Rowe by telling him:

"We appreciate your kind of American . . . we want you to take your message to the people of the United States."

Mr. FULBRIGHT. Mr. President, the question of whether Major Rowe's activities—and those of other military speakers—follow the Army's own guidelines is one to which I hope the Secretary of Defense, and perhaps the pertinent committees of Congress will address themselves.

For myself, I will seek to remedy this situation as best I can through legislation that soon will be before this body.

Mr. President, 10 years ago the Congress removed the spending limit on Defense Department public relations activities. The military's spending on lobbying the public has skyrocketed ever since, from \$2.7 million to an admitted \$27 million last year. We will never know the true total, however. If all expenses were included, such as for operation of orientation flights and cruises, the total would undoubtedly be far higher. But, in any case, \$27 million and a sales force of thousands adds up to a very impressive program for persuading the public to sacrifice more and more for the Army, Navy, or Air Force—as the case might be—and, of far greater significance, to garner support for the policies of the Commander in Chief in the White House.

Only Congress can bring the Defense Department's public relations program under control. As a first step, it should reinstate a fixed limit on spending for public relations. And as a second step it should see to it that the Congress and the public are kept informed about the Defense Department's public information programs.

I propose that public relations spending in the Department of Defense be limited to \$10 million in the 1970 fiscal year, by adding the following limitation in the Defense appropriation bill:

"Sec. —. Funds provided in this Act for public information and public relations activities, including personnel costs, shall not exceed \$10,000,000."

It may be argued that this reduction is too severe, that this program should be cut back more gradually. In the last 10 years the size of the Armed Forces has increased 36 percent, and the cost of living 25 percent. The limitation I propose would allow a 370-percent increase in spending for public relations above the 1959 legislative ceiling; a very generous increase. The Secretary of Defense has announced a cutback in the Armed Forces and the closing of a number of military installations; the public relations apparatus is an ideal area for severe pruning. I was happy to see that the House Appropriations Committee has also proposed additional cutbacks in this program.

As part of the reduction that I expect will be undertaken with this limitation—and to insure it—I will offer another proviso to eliminate the five service-funded camera crews now operating in Vietnam and the contracting services procured in the United States to turn out the V-Series newsfilms on Vietnam. This proposed proviso reads as follows:

Sec. —. None of the funds appropriated by this Act shall be used for the purpose of financing directly or indirectly the filming, production, or distribution of moving pictures of United States activities in Vietnam for use by commercial television media.

As a second step, I am introducing a bill today to require semiannual reports to the Congress giving the following details concerning the Defense Department's public information program:

First, a list and description of all films released to the public;

Second, a description of all material prepared for use of radio or television;

Third, a description of assistance rendered in the production of films for non-governmental use;

Fourth, data on the number of press releases and photographs released to news media;

Fifth, a list of speeches made by high-ranking civilian and military officials of the Defense Department to public audiences; and

Sixth, a list of all civilians, except Government personnel and dependents, who receive free transportation in military planes or ships.

The bill would also require that copies of press releases, speeches, films, and other materials be kept available in a location convenient for public viewing. Finally, it would require that Defense Department films and speeches dealing with foreign policy or a foreign country be approved by the Secretary of State.

Mr. President, taxpayers are at a decided disadvantage at best in questioning programs their Government would thrust upon them. When unlimited resources are available to a Government agency for selling purposes, the public does not stand a chance. Today the Defense Department is engaged in a vast effort to sell the administration's Vietnam policy to the public, as it did to sell the Vietnam policy of the previous administration. This is only one step removed from using the public relations resources of the Military Establishment to rid the Congress of those who question executive branch policies. If the present trend continues, "1984" may arrive long before the next 15 years have gone by.

The Congress can do much to help insure that the taxpayer gets an even break in evaluating the programs and policies his Government tries to foist on him. My proposals are a start—but only a start—in that direction.

Finally, I think my proposals, if adopted by Congress, supplement what the Senate has already done in the national commitments resolution approved earlier this year. That resolution was a first step by the Senate to reassert its proper constitutional role in the development of our national commitments in the foreign-policy field. If we cannot control the vast publicly supported propaganda programs of the Department of Defense, which deals with major foreign policy matters, I think our efforts will be futile, and there will be nothing Members of this body can do to limit the enormous expenditure of public funds designed to influence their constituents

that is now being carried on by the Department of Defense.

Mr. President, I implore Senators to take seriously the evidence presented to the Senate in my remarks.

I introduce the bill for appropriate reference.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3217) to require the Secretary of Defense to submit regular reports to the Committees on Armed Services of the House of Representatives and the Senate with respect to the kinds and amounts of information released for distribution to the public by the Department of Defense and the military departments thereof, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Armed Services.

TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

AMENDMENT NO. 313 (S.H.)

Mr. RIBICOFF. Mr. President, I call up amendment No. 313 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD.

The amendment (No. 313) ordered to be printed in the RECORD, reads as follows:

AMENDMENT No. 313

SEC. 915. TAX CREDIT FOR CERTAIN EXPENSES OF HIGHER EDUCATION.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"SEC. 40. EXPENSES OF HIGHER EDUCATION.

"(a) GENERAL RULE.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount, determined under subsection (b), of the expenses of higher education paid by him during the taxable year to one or more institutions of higher education in providing an education above the twelfth grade for himself or for any other individual.

"(b) LIMITATIONS.—

"(1) AMOUNT PER INDIVIDUAL.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year shall be an amount equal to the sum of—

"(A) 100 percent of so much of such expenses as does not exceed \$200,

"(B) 25 percent of so much of such expenses as exceeds \$200 but does not exceed \$500, and

"(C) 5 percent of so much of such expenses as exceeds \$500 but does not exceed \$1,500.

"(2) PRORATION OF CREDIT WHERE MORE THAN ONE TAXPAYER PAYS EXPENSES.—If expenses of higher education of an individual are paid by more than one taxpayer during the taxable year, the credit allowable to each such tax-

payer under subsection (a) shall be the same portion of the credit determined under paragraph (1) which the amount of expenses of higher education of such individual paid by the taxpayer during the taxable year is of the total amount of expenses of higher education of such individual paid by all taxpayers during the taxable year.

"(3) REDUCTION OF CREDIT.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year, as determined under paragraphs (1) and (2) of this subsection, shall be reduced by an amount equal to 2 percent of the amount by which the adjusted gross income of the taxpayer for the taxable year exceeds \$15,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) EXPENSES OF HIGHER EDUCATION.—The term 'expenses of higher education' means—

"(A) tuition and fees required for the enrollment or attendance of a student at a level above the twelfth grade at an institution of higher education, and

"(B) fees, books, supplies, and equipment required for courses of instruction above the twelfth grade at an institution of higher education.

Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary or his delegate.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means—

"(A) an educational institution (as defined in section 151(E)(4))—

"(i) which regularly offers education at a level above the twelfth grade; and

"(ii) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c); or

"(B) a business or trade school, or technical institution or other technical or vocational school in any State, which (i) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; and (ii) is accredited by a nationally recognized accrediting agency or association listed by the United States Commissioner of Education; and (iii) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subparagraph.

"(3) STATE.—The term 'State' includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(d) SPECIAL RULES.—

"(1) ADJUSTMENT FOR CERTAIN SCHOLARSHIPS AND VETERANS' BENEFITS.—The amounts otherwise taken into account under subsection (a) as expenses of higher education of any individual during any period shall be reduced (before the application of subsection (b)) by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includible in gross income, and

"(B) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

"(2) NONCREDIT AND RECREATIONAL, ETC., COURSES.—Amounts paid for expenses of

higher education of any individual shall be taken into account under subsection (a)—

"(A) in the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(3) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) to the taxpayer shall not exceed the amount of the tax imposed on the taxpayer for the taxable year by this chapter reduced by the sum of the credits allowable under this subpart (other than under this section and section 31).

"(e) DISALLOWANCE OF EXPENSES AS DEDUCTION.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any expense of higher education which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the expenses of higher education of any taxpayer who, under regulations prescribed by the Secretary or his delegate, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) CLERICAL AMENDMENT.—The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Expenses of higher education.

"Sec. 41. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1970.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on the amendment. The yeas and nays were ordered.

ADDITIONAL COSPONSORS

Mr. RIBICOFF. Mr. President, on behalf of the Senator from Colorado (Mr. DOMINICK) and myself, I ask unanimous consent that the names of the Senator from South Dakota (Mr. McGOVERN), the Senator from Illinois (Mr. PERCY), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOODELL. Mr. President, will the Senator yield briefly?

Mr. RIBICOFF. I yield.

Mr. GOODELL. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER (Mr. SCHWEIKER in the chair). The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from New York (Mr. GOODELL) proposes an amendment to amendment No. 313, as follows:

On page 7, line 10, strike out "1970" and insert in lieu thereof "1971".

Mr. RIBICOFF. Mr. President, on behalf of the Senator from Colorado and myself, we accept the amendment.

Mr. GOODELL. I thank the Senator. Mr. RIBICOFF. Mr. President, I wish to make a brief statement and then I shall yield to the Senator from Colorado.

Mr. President, the amendment before the Senate would create a tax credit to offset the growing expenses of higher education in America.

The time has come for this Nation to face the need for greater Federal assistance in meeting college costs.

Congress has had several opportunities to consider tax credits as a means to finance higher education. Most recently, in 1967, the Senate approved by better than a 2-to-1 margin such a proposal which I sponsored with the Senator from Colorado (Mr. DOMINICK).

Regrettably, the House of Representatives did not agree to this amendment.

Today, the need for Federal income tax credits is greater than ever before.

The American family is facing a financial crisis.

Tuition costs are soaring. Other costs of higher education—books, lodging, fees—are keeping pace.

Federal, State, and local taxes are combined to squeeze the average family unmercifully.

Seven million students are now working for undergraduate or graduate degrees. This is three times the number only 14 years ago but still considerably less than will be attending college in the next few years.

In 1975, college enrollment will jump to 9 million. In 15 years we can look forward to a student enrollment of about 11 million.

The pressure of this influx of students has inflated college costs. New facilities must be built. The advancing frontiers of knowledge place a premium on the most sophisticated and expensive new teaching concepts and equipment. More expensive postgraduate education is increasing.

A good education is becoming prohibitively expensive.

In the last 5 years, tuition costs at public institutions have risen by half. At private colleges and universities they have increased by 70 percent.

The average minimum cost of 1 year at college, including room and board but no other expenses, is \$2,329 at private college and well over \$1,000 at a public college.

Official estimates by the Office of Education show that tuition alone will increase by 25 percent at public institutions of higher learning and by 38 percent at private institutions in the next 10 years.

Today, it costs between \$10,000 and \$20,000 to obtain a bachelor's degree.

Ten years ago, colleges and universities spent \$5.2 billion on higher education. Last year they spent over \$17 billion. But in only 10 years the Carnegie Commission on Higher Education estimates that institutes of higher education must spend \$41 billion in order to assure the same quality of education offered today.

The commission also estimates that private sources will have to bear one-half of this cost even if Federal assistance is increased four times in the next 10 years. If, of course, Federal assistance is not so increased the private sector will support a much larger burden.

Even now, the average family is hard pressed to send a son or daughter through 4 years of college.

The College Scholarship Service of the College Entrance Examination Board assists over 2,000 colleges and universities in setting guidelines for financial assistance. The service has made an authoritative study of what colleges must expect from students and their families toward covering the cost of education.

A family with one child in college and a pretax income of \$10,000 is expected to pay a \$1,570 toward a year's college expenses.

Under the Federal tax laws, as amended in the bill now before this Senate, this family in 1972 would be expected to pay about \$1,400 in income taxes. An additional \$300 might disappear in State and local taxes.

Likewise, the College Scholarship Service estimates that a family with two children, one of which is college age, and an income of \$15,000, would be expected to contribute \$2,080. This family's taxes would likely amount to \$2,700 or \$2,800.

In the cases I have cited, if the family contributions failed to match the entire cost of a college year, the difference would be made up through other forms of financial assistance.

Mr. President, a constituent of mine recently wrote with dignity and eloquence of the plight in which the soaring costs of education had placed his family.

One child has completed a year of college at the cost of several thousand dollars. Next year, twin sons will be of college age. One wants to be a veterinarian.

Both parents work full time. The children work during the summers. Family income cannot be expanded. Available scholarships and loans seem to be exhausted. Educational expenses in tens of thousands of dollars must be paid in the next few years.

My constituent only asks one question, "How can I send my sons to college?"

Mr. President, our children's education is an investment in the future. We have made similar investments in the past,

such as the GI bill, and the results have surpassed even our best expectations. We would do well to learn from these lessons.

As we face the necessity of finding solutions to the complex social problems facing this Nation we must recognize the essential role that education plays in our society. A better educated population is the strongest tool for the continued growth and development of our Nation.

This amendment proposed a maximum tax credit of \$325 per student. The credit would be computed on the basis of 100 percent of the first \$200 of qualifying expenditures for tuition, fees, and books; 25 percent of the next \$300; and 5 percent of the subsequent \$1,000. No credit would be allowed for student costs above \$1,500.

The resulting credit would be allowed against the tax of any person who paid the expenses of education for himself or another person at a qualified educational institution. A qualified institution includes recognized colleges, universities, graduate schools, vocational and business schools.

Mr. President, the bill is drafted to relieve the heavy burden of educational costs now borne by the average American citizen. It would not benefit the wealthy individuals who can easily afford these costs.

The available credit would begin to be phased out when the taxpayer's adjusted gross income reached \$15,000. Two percent of the amount by which a taxpayer's adjusted gross income exceeded \$15,000 would be deducted from the credit available to that taxpayer. Thus, no taxpayer with an income above \$31,250 would be eligible for a credit.

Mr. President, I ask unanimous consent that a table outlining the available benefits to various income groups be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

AVAILABILITY OF TUITION CREDIT BY AMOUNT OF QUALIFIED EXPENSES AND INCOME LEVEL

Qualified expense	Adjusted gross income					
	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000
\$100.....	\$100.00	\$100.00	0	0	0	0
\$200.....	200.00	200.00	\$100.00	0	0	0
\$300.....	225.00	225.00	125.00	\$25.00	0	0
\$400.....	250.00	250.00	150.00	50.00	0	0
\$500.....	275.00	275.00	175.00	75.00	0	0
\$750.....	287.50	287.50	187.50	87.50	0	0
\$1,000.....	300.00	300.00	200.00	100.00	0	0
\$1,250.....	312.50	312.50	212.50	112.50	\$12.50	0
\$1,500.....	325.00	325.00	225.00	125.00	25.00	0

Mr. RIBICOFF. Mr. President, this tax credit legislation will markedly strengthen the ability of a family to finance the college education of a son or daughter.

In my own State, at the University of Connecticut, where tuition costs for a resident have increased 56 percent in 6 years to \$390, this amendment would provide a credit of \$247.50 or two-thirds of the cost.

At Yale University in Connecticut, where tuition has increased by almost 50 percent to \$2,400 since 1963, this amendment would allow a family a credit of \$325 or 13.5 percent.

Mr. President, this legislation has received strong support from all segments of society. The ability to meet the challenges of the future rests squarely on the strength of our educational institutions and the quality of education they can provide. This amendment will significantly strengthen the ability of millions of Americans to provide a quality education to their children.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Federal Assistance to Higher Education Through Income Tax Credits," and an article from the New

York Times of April 21, 1968, entitled "The Higher Cost of Higher Education."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

FEDERAL ASSISTANCE TO HIGHER EDUCATION
THROUGH INCOME TAX CREDITS

(By Roger A. Freeman*)

INTRODUCTION

At this year's expenditure level of \$58.5 billion, education ranks as America's most ebullient growth industry. With only six percent of the world's population and between one-fourth and one-third of its developed resources, the people of the United States are now investing in education almost as much—and possibly as much—as all of the other nations combined. Nothing testifies more eloquently to the American faith in education than the priority which the people have granted it in financial terms: over the past twenty years educational spending multiplied eight times, business and private investment and personal consumption only three times. Allowing for the loss of one-third of the dollar's value over that period, we find that personal consumption slightly more than doubled (+111%) in constant value dollars while educational spending multiplied almost six times (+472%).¹ This magnificent record, which exceeds ever the fondest hopes of twenty years ago, disproves slanderous charges that the American people spend lavishly on themselves while treating their schools niggardly.

Higher education has advanced moneywise no less dramatically than education in general; spending by colleges and universities multiplied 8½ times over the 20-year period. Higher education more than tripled its share of the national income and product, pushing it from 0.7% of GNP in 1947/48 to 2.3% in 1967/68.

There are now some signs which suggest that financial needs may not grow as rapidly in the future as they have in the past. Higher educational enrollment is projected to increase only 36% in the next eight years, compared with a 93% jump in the past eight years.²

The baby boom of the past war period has now largely been absorbed. A steady and continuing decline in the number of births—which dropped 19% between 1960 and 1968—implies that enrollment pressures will subside and may disappear in the late 1970s and the 1980s. To some extent, however, diminishing births could be offset by further growth in the percentage of our young people who continue their formal education after graduating from high school.

On the other hand, even the tripling of their income during the 1960s appears not to have solved nor even eased the financial problems of colleges and universities. Paradoxically, the situation seems to be growing worse as the institutions' resources multiply at a faster rate. The Association of American Universities (AAU) declared in April 1968 (as it could have done ten or twenty years earlier with greater justification): "The most critical question facing higher education today is how to find sufficient resources."

Considering the growing wave of campus revolts in recent years, some of us may doubt that finding sufficient resources truly is "the most critical question facing higher education today." Finding leadership capable of coping with the violent uprising would be more crucial.³ But there is much evidence to support AAU's further statement that higher education faces "a severe and worsening fiscal crisis." Ford Foundation President McGeorge Bundy even referred to an "imminent bankruptcy" of American higher education. With outlays rising faster than estab-

lished sources of income, and with planned outlays exceeding prospective receipts, many colleges are indeed, as Duncan Norton-Taylor expressed it "living with a formula for bankruptcy."⁴ If the colleges in *Fortune's* survey—Yale, Cal. Tech, Stanford, Pomona, Dartmouth, etc.—the country's wealthiest, are in trouble because donations and tuitions don't grow fast enough, most of the other 1400 odd private colleges must be even worse off. Nor do state institutions have an easy time getting their financial requests approved by governors and legislatures which find budgetary demands from all sides soaring beyond the willingness of their constituents to have their taxes raised. Small wonder the administrators of most IHL have become convinced that only the national government can deliver them from ruin. The national government has in fact responded to the plea in recent years, though not adequately.

GROWTH IN FEDERAL AID TO HIGHER EDUCATION

Federal aid to education came into its own during the 1960s. From \$2 billion in 1960, the amount inched to \$3.1 billion by 1964, then jumped steeply, reaching \$8.8 billion in 1968. The President's Budget for 1970 proposes \$9.8 billion to be disbursed through well over 100 programs of grants and loans, most of them of recent origin. But there still is no program of general support of IHL, just as there is none for elementary and secondary schools.

Federal funds for higher education totaled \$4.4 billion in 1968 and are estimated at \$5 billion in the President's Budget for 1970 as follows:

	Million
Research	\$1,530
Facilities and equipment	934
Student aid	1,935
Teacher training	92
Current operations	538
Total	\$5,030

Aid to current operations consists mostly of support for medical and other graduate education, ROTC activities and for several other specified purposes. Only an insignificant fraction of the Federal funds is available for undergraduate instruction which used to be regarded as the colleges' primary task. Regular faculty and staff salaries and operating expenses (not including organized research) are still the biggest item in college budgets. They total over \$10 billion a year nationally, are usually the hardest objective to raise funds for but receive almost no federal support.

This may explain why unmet needs and demands in higher education seem to increase rather than diminish as federal funds multiply: the government has been feeding cake to a man who is not hungry but dying from thirst and begging for water.

WHY IS THERE NO GENERAL FEDERAL SUPPORT OF HIGHER EDUCATION?

It is not because institutional spokesmen have not asked for it repeatedly. The chairman of President Kennedy's Task Force on Education, President Frederick L. Hovde of Purdue University, told the House Education Committee in 1961 that "the highest priority need of colleges and universities, both public and private, is for general support and particularly for faculty salaries." Similar pleas were made many times before and after. But no President ever recommended general grants for higher education nor did Congress ever consider such a plan. Educational administrators, however, did not change their tune: At a joint press conference in Washington, November 12, 1968, representatives of the nation's seven major higher education organizations declared that "general Federal financial support of colleges and universities is higher education's No. 1 unmet need." (emphasis supplied).

Why does the National Government appro-

priate no funds for the broad purposes of IHL, as the States are doing, to the extent of about \$5 billion a year at the present time? For one, because Congress is always reluctant to make money available to anybody except welfare recipients without specifying in considerable detail how it is to be expended and without having the spending closely controlled by a federal agency. Restrictions and controls accompanying federal funds for research and other purposes have long been a thorn in the side of educational administrators. When faced with a choice between money with controls, or no money, however, they opt for the former.

A more difficult, and seemingly insuperable, obstacle to general support is the controversy over the interpretation of the First Amendment clause prohibiting the establishment of religion.

State appropriations go only to the 1037 IHL under (state or local) governmental control, not, with a few minor exceptions, to the other 1500 colleges and universities which are under private auspices.

This has already resulted in a growing imbalance between public and private IHL in enrollment, tuition, salaries, etc. To exclude private colleges and universities from a new and major Federal support program would sound the death knell for many or most of them within a few years.

About 900 of the private IHL are church-connected: 500 are Protestant, 381 Catholic and the remainder sponsored by other denominations. To include them in a general Federal aid program would violate deeply held beliefs of a large segment of the American people about the separation of church and state. Such a program would also probably not survive a Supreme Court test. But to deny those institutions the Federal benefits would face most of them with the alternative of either severing their religious ties and turning secular or withering until they are forced to close their doors. To declare private colleges ineligible as long as they maintain their religious connections would be tantamount to offering them an incentive premium for cutting their church ties and come close to imposing a penalty on the free exercise of religion.

This conflict of conscience divides the American public and neither side is able to compromise on principles held as dear as freedom of religion and equal justice on one side and the "wall of separation" on the other.

Numerous and extended efforts to enact a program of general Federal support, for the elementary-secondary schools or for higher education, have consistently failed, for several decades, and the prospects of an acceptable solution look no more promising today than they ever did.

The forces backing church-connected IHL may not be able to have a program adopted to their liking. But they have been able to prevent a bill from passing which they believe would irretrievably harm their institutions and discriminate against their faithful.

Some members of Congress will not vote for Federal aid to higher education if it includes private IHL and some won't vote for it if it excludes them. Because of this impasse only programs which are closely circumscribed, often minor or peripheral, have been able to find approval. No plan of direct institutional support appears possible for as far as we can see ahead.

However, indirect aid could be provided by helping those who now support higher education to finance it more adequately.

INDIRECT AID TO HIGHER EDUCATION

The three major non-federal sources for IHL are: states, students and donors. To aid states would solve little because they are blocked from subsidizing denominational IHL by the First Amendment and the Supreme Court as effectively as the national

Footnotes at end of article.

government. But students and their parents and donors can be assisted in financing the institutions more generously through a method which has found strong support among the public and in both political parties: Federal income tax credits for tuitions and gifts.

In sponsoring an educational tax credit proposal which I had presented to the Senate Labor and Public Welfare Committee ten days earlier, former Vice President Hubert H. Humphrey (then Assistant Senate Majority Leader) explained on the floor of the Senate:

"While this tax credit proposal would not solve all the financial problems related to higher education, it would represent a significant contribution well within our national means. It would provide this assistance in a manner that avoids any argument about federal control of education and also the nagging question of church-state relations. Moreover, it would provide this aid without having to expand the Federal bureaucracy to administer the program.

"Support in the Congress has been growing for this general approach to the problem of federal aid to higher education. I know the appropriate committees in both Houses are giving these proposals careful scrutiny and consideration. I hope that the Administration will consider seriously requesting such legislation from the Congress."

There is ample evidence that the vast majority of the American people favors the tax credit approach. A national survey by the Opinion Research Corporation of Princeton, New Jersey, conducted for CBS-TV in 1966, disclosed that 70% of the public favors and 13% opposes educational tax credits. The highest support was found among persons in the \$5,000 to \$6,999 income bracket (88%) and among young people, between 18 and 29 years of age (80%).¹

A nationwide questionnaire by *Better Homes and Gardens* (June 1968) showed that "almost three-fourths of these 300,000 consumers told us they think a family's college expenses are so basic that they should be deductible on individual Federal income tax returns." Numerous other polls have shown substantially similar results: support of educational tax credits by between 70% and 80% of the public. A questionnaire to the presidents and trustees of all public and private IHL by the Citizens National Committee on Higher Education brought a favorable reply from 90% of the respondents. Only one group showed a slight majority in opposition: the presidents—but not the trustees—of state universities and colleges. They believe that only government-owned, i.e., public, institutions should be aided by government.

PRESENT FEDERAL AID TO HIGHER EDUCATION

Before going into the details of educational tax credit plans I would like to discuss the virtues and the shortcomings of some of the major existing and proposed Federal programs in higher education.

Research funds have helped to advance academic knowledge, particularly in the natural and life sciences where they are concentrated, and have enabled some universities to add eminent scholars to their faculty at very respectable salaries—usually by hiring them away from less favored colleges. They have assisted in important tasks of the national government. But they have not aided the recipient IHL financially and should no more be labelled aid to education than the purchase of research from industrial or other organizations is called Federal aid.

A serious aspect of the Federal research grants is their concentration among a small number of big universities: more than 90% of the money goes to 5% of all IHL which leaves the remaining 95% of institutions relatively poorer off than they were before.² This

has led to a "brain drain" from the medium and smaller institutions to the big, to an undue concentration of talent in a few places. It is making "the rich richer and the poor poorer," encourages a "flight from teaching," and causes grave imbalances and innumerable administrative difficulties within institutions and between the universities and Federal departments.

Several congressional committees have investigated the problem in recent years and had some harsh words to say about the detrimental effect of the present system of allocating Federal research grants, in unbalancing the program of the small number of recipient institutions and weakening the overwhelming majority of American colleges. But they were no more able to agree on a politically feasible alternative than the academic community.

Scientists and university administrators complain bitterly about the obnoxious restrictions and controls to which Federal research grants subject them. But having partaken of the sweet taste of Federal cash they are no longer able to resist its lure, no matter what the price. They did voice dismay when research funds were cut late in 1968.

Only 13% of Federal outlays for research and development are channeled to IHL and that share is not likely to increase significantly in the next few years.

Construction grants and loans, initiated in 1963 and expanded in 1965, have proven helpful to IHL. They assist hundreds of institutions in building needed classrooms, libraries, laboratories, etc. But they offer no relief on current finances. Quite the contrary. The completion of each new building adds materially to the cost of operations and the need for general revenue. IHL almost never use current income for major construction purposes: public IHL depend for building funds on earmarked state appropriations and proceeds of state bond issues while private IHL rely on earmarked donations.

Moreover, with the enrollment curve flattening out, expansion of facilities should become less urgent as time goes on. In any case, construction seldom presents as pressing or difficult a financial problem as faculty salaries because building funds are usually

easier to obtain than unspecified general revenues. This is why IHL do not borrow to finance academic buildings, in contrast to private business and individuals who commonly raise funds for major capital outlays through long term loans. It is not that IHL could not sell their bonds but they have for many years entered the money market as investors rather than as borrowers (except for "self-financed" residence and dining halls). Their reason: future principal retirement and interest would cut into current revenues and restrict general operating funds. College administrators and trustees are far more concerned about strengthening current fund income needed to pay faculty and other salaries than about construction money. They can have a great university in ancient or mediocre buildings—but not with a mediocre faculty. Whether we like it or not, the level of income that IHL are able to offer is a major—and possibly the major—factor in influencing the decisions of many of our most talented young men and women to choose an academic career rather than some other professional or business vocation. There is a positive correlation between faculty salaries and the caliber of professors in years to come. Buildings can be completed in two years or less but it takes close to a generation to build an eminent faculty. But, as I mentioned earlier, almost no Federal aid is available to pay the salaries of faculty in undergraduate instruction.

Student aid, at \$1.8 billion in 1969, is an important item. Much of it is earmarked for graduate fellowships and training in a few specified professions, most of the rest for NDEA and guaranteed loans, veterans benefits, work-study, leaving about \$130 million for the only program that might be called scholarships: educational opportunity grants to students with "exceptional financial needs." Fewer than 5% of all undergraduates participate in that program. Most students who need assistance are helped by loans, work-study and by scholarships available from private or state sources.

THE TUITION PROBLEM

The cost of attending IHL has been going up steadily though not as fast in public IHL as prices and more slowly than income in both public and private IHL:

	Tuition and fees		Total cost (including room and board)		Consumer prices	Personal income per capita ¹
	Public	Private	Public	Private		
1958-59	\$224	\$867	\$932	\$1,687	101.1	\$2,068
1968-69	\$299	\$1,380	\$1,092	\$2,325	124.2	\$3,421
Increase (percent)	+34	+59	+17	+38	+23	+65
Projected, 1978-79 (1967-68)	\$375	\$1,906	\$1,264	\$2,988		
Increase (percent)	+25	+38	+16	+29		

¹ Calendar years 1958 and 1968.

Source: Department of HEW, "The Chronicle of Higher Education," Oct. 28, 1968.

If income has been growing faster than the cost of attending college, why do many families have so much trouble financing their children's education? Because more of their children attend. College enrollment equalled 15% of the 18 to 21-year old population in 1940 and now runs at 48%, headed still higher. A family that formerly counted itself fortunate if it managed to put one son through college will now try to enable several or all of its children to acquire a higher education. And it must do so if those young men and women are later on to fill any but manual jobs. The impact on average family finances has thus become much harder, and in some cases disastrous.

At a cost of four years of undergraduate education between \$10,000 and \$20,000 for each child, higher education may cost more than the family home. It can be a far heavier burden than mortgage interest, state and local taxes, medical expenses or casualty losses—for which the tax law grants relief.

Nonrecognition of college costs for tax purposes adds to the burden of higher education. It may have been justified in days when attendance was the privilege of a small well-to-do minority, but today it constitutes a grave injustice.

Sending its children to college of course imposes no financial hardship on a wealthy family. Nor is attendance an insuperable task for a student from a low-income family who, if otherwise qualified (and often even if he is not), is eligible for a scholarship, Federal, State or private.

But students from a middle-income background and their families can frequently raise the required funds only with great difficulty; they may be ineligible for Federal and other scholarships. Though they account for the majority of the student body at most institutions, they are hit the hardest by the inadequacies of the present system. Somehow, they seem to fall between two stools. An official study at the University of California

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at Berkeley in 1967 (conducted by David Bradwell & Associates) found that students from middle-income families are financially worse off than those from poor backgrounds.

Public IHL have been raising tuitions much more slowly than private IHL. They derive only between 10% and 20% of their income from fees because their requirements are met mostly by state appropriations. Private IHL have no such recourse and must cover the difference between their costs and donations largely from tuitions. Consequently the "tuition gap" has been widening. While the tuition ratio between public and private IHL used to fluctuate around 1:3 until the early 1950's, it now stands at 1:4.6 and is likely to exceed 1:5 within a few years.

The widening tuition gap has had many detrimental results. Enrollment which for many decades used to be divided about 50:50 between public and private IHL has since 1951 been shifting toward public IHL which now accommodate 70% of all students. About three of every four new students now enroll in a public IHL. If the tuition gap continues to grow, public IHL will, in the late 1970s, account for 80% or more of the student body. This is of course a very expensive proposition for the taxpayers who are shouldered with 80% to 90% of the cost of educating the students at public IHL. Moreover, if present trends continue, the situation in higher education several years hence will resemble the picture in the lower schools where the public schools account for 85% of the enrollment and enjoy a virtual monopoly in many areas, particularly in regard to children from families which are less than affluent.

The growing tuition gap prevents private IHL from raising their tuitions to a level sufficient to meet their needs. A few years ago Chancellor Lawrence A. Kimpton of the University of Chicago told an audience of state college administrators: "To put it in the crassest terms possible—and I know this will offend many of the brotherhood—it is hard to market a product at a fair price when down the street someone is giving it away."

Why should students at IHL pay only 10% or 20% of the cost of their education? Why should they place most of the burden on the general taxpayer when they will, as a result of their education, earn a much higher income throughout their working lives? Would it not be preferable to charge higher fees to all students and reserve part of the greater revenues to increase the number and amount of scholarships for students from low-income families? Most students at public IHL now spend much more for alcohol and cigarettes, not to mention automobiles, than on tuition to pay for their education.

Does it not give a student a completely wrong set of values if a college charges him full cost for room and board but only a small amount for his education? Would it not be preferable, *ceteris paribus*, to give him a discount (or even a waiver) on his board and room but charge him closer to full fare for his education?

In its 1956/57 annual report the Carnegie Foundation for the Advancement of Teaching suggested: "Private institutions may eventually have to charge the full cost of education in tuition. They can then go even further than they have to date in providing various forms of scholarship aid for those students who need it."

As long as public IHL keep their tuitions at a small fraction of cost, few private IHL can afford to follow that advice.

Private colleges pay their professors on the average about \$1,000 less than state colleges,⁹ and levels of compensation are likely to be reflected, sooner or later, in the caliber of the faculty. This will place private colleges in a precarious position. Who would want to pay five times as high a tuition to

send his son or daughter to an inferior college?

These problems could be solved if public IHL were to raise their tuitions substantially while expanding their student aid funds. That would still give them large additional revenues for their general purposes. In turn this would make it easier for private colleges to boost their tuitions.

Would this not drive the cost of education beyond the capacity of a large number of most families? It might—unless government aided with the payment of the increased fees. Such aid could be provided, for example, in the form of broad-scaled ample scholarships or through a system of government vouchers which the students would give to their institutions, to be cashed by them.

Vouchers for college students would enable the institutions, public and private, to charge considerably higher fees without burdening the students or their families; the added revenues could be spent by each college for whatever it needs most.

While such a plan would overcome some of the shortcomings of the present system, it could be subject to constitutional challenge as litigation and several decisions on similar state or local plans in recent years suggest.

The only method of aiding students, and indirectly institutions, that is completely safe from constitutional challenge is tax credits: no money would flow from the national government either to an institution or a student. Individual taxpayers would reduce their payments to the government. Tax deductions for many purposes, including church support, have always been an integral part of our tax system and have as such never been questioned on constitutional grounds. Nor is it conceivable that they could.

Before discussing the various aspects of educational tax credits we probably should survey some of the major alternatives suggested by educational organizations.

RECENT PROPOSALS FOR EXPANSION OF FEDERAL AID TO HIGHER EDUCATION

Some of the leading organizations in higher education have within the past year submitted plans for expanded Federal aid.

The National Association of State Universities and Land-Grant Colleges and the American Association of State Colleges and Universities have asked for more generous grants and loans for construction purposes and "poerating support for all accredited institutions that can participate. . ."

The clause "that can participate" is a more sophisticated way of saying what used to be expressed in plain language until a few years ago: that private institutions, but most decidedly church-connected colleges, should not be eligible. In other words, that only public IHL should receive broad Federal support on an institutional basis. The associations approve of graduate fellowships and traineeships but "continue to oppose a general federal scholarship program in the absence of evidence that it would in fact assure college attendance for a substantial number of the highly talented who cannot now attend under existing public and private programs. . ."

The two associations oppose tax relief for tuitions and fees and also object to an expanded student loan program with long terms of repayment (Educational Opportunity Bank) because it would require a student to "indenture" himself for most of his working life.

The Association of American Universities (AAU) advocates direct general-purpose institutional grants to all public and private IHL which meet recognized standards. How such grants to church-connected institutions could be protected from constitutional challenge the association fails to explain.

In the early 1950s, shortly after a presidential commission had recommended federal grants for operation and construction at public IHL, AAU sponsored a Commission on Financing Higher Education which after laboring for three years declared: "This Commission has reached the unanimous conclusion that we, as a nation, should call a halt at this time to the introduction of new programs of direct federal aid to colleges and universities." The Commission's Executive Director wrote as late as 1963 that "the conclusions of the Commission on Financing Higher Education have not been outdated either by events or by further analysis."¹⁰ But as of 1968 the AAU recommended besides the mentioned institutional grants, expansion of federal scholarships and fellowships, student loans, facility, research and other categorical aid.

In a special report to the Carnegie Foundation for the Advancement of Teaching in December 1968, its Commission on Higher Education, chaired by former University of California President Clark Kerr, recommended for Federal action: a major expansion of scholarships, fellowships, work study, student loans with greatly lengthened terms of repayment, enlarged support of research and construction and of other categories such as medical education, libraries, international studies, developing institutions, etc. To supplement inadequate tuitions, the Commission suggests "cost of education supplements" paid directly to institutions. The question is not even mentioned how such payments should be made to church-connected institutions.

While the three groups agree in their demands for more Federal money and on more generous construction grants they disagree on almost everything else, although some dissents are covered up. In regard to general purpose aid the State IHL want it for themselves while the other two groups do not refer to the trap that has killed all such proposals in the past: aid to denominational IHL. Some of the institutional heads may hope to persuade Congress to enact a general aid program and from which institutions with church connections would then be dropped either during the legislative process or subsequently by judicial action.

Does this help to "reduce the rising tide of conflict between the [public and private] institution," as Clark Kerr suggested?¹¹ Quite the contrary; it is apt to aggravate and perpetuate it.

Would Congress and the American public face the disappearance of many or most of the 900 church-connected colleges and universities with the same equanimity and unconcern as the administrators of state universities? Not very likely.

Many who are convinced that the financial problem in higher education cannot be solved without massive Federal aid might be willing to accept such an outcome if there were no alternative available. But there is an alternative—to permit Federal income tax credit for tuitions and other expenses and for donations to higher education.

TAX CREDITS FOR TUITIONS AND OTHER EXPENSES IN HIGHER EDUCATION

Soon after the Commission on Financing Higher Education in 1952 recommended against the introduction of new programs of direct Federal aid to higher education, the American Council on Education, the American Alumni Council, and other groups sponsored plans for helping higher education by indirect means, through tax relief for tuitions. But the methods proposed—income tax deduction, additional exemptions or flat percentage credits—would have conferred most of the benefits to higher income brackets and to private IHL. Several hundred bills on tax aid to higher education were introduced but none brought congressional action because of the inequities involved.

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Disappointed by their failure, educational organizations in the early 1960s shifted their efforts toward securing direct grants. Bills for construction and student aid and various other purposes were enacted but no plan for institutional support was considered by Congress.

In 1963 when I was asked by the Senate Labor and Welfare Committee to testify on President Kennedy's recommendations for Federal aid to education I conceived of a method of aiding higher education that allocated the benefits more fairly: Federal income tax credits for tuitions and other educational expenses on a graduated or sliding scale. I testified and submitted the plan on May 27, 1963.¹² Ten days later the then assistant majority leader Senator Hubert H. Humphrey announced on the floor of the Senate that he had introduced a bill to implement the plan as a "sensible and workable system of Federal assistance."

"It is essential that an across-the-board tax credit program be initiated to assist every person currently facing the considerable expenses associated with higher education. . . .

"I have sponsored similar tax credit legislation for many years. However, the bill I introduce today is, in my opinion, a significantly improved measure over all earlier versions.

"Tax deductible, additional exemption, and tax credit bills share a common purpose: first, to assist persons financing a college education and second to provide indirect assistance to the institutions of higher education."¹³

Senator Humphrey then cited from my testimony before the Senate Committee on May 27 and continued:

"The sliding tax credit schedule provides a sensible and workable system of Federal assistance that helps every student, indirectly helps both public and private institutions, and does so in a manner that in no way interferes with individual or institutional freedom or policies. This bill, providing for a declining tax credit for expenditures on tuition, fees, books, and supplies mitigates the distortion found in the large majority of bills that rely on tax deductions, additional exemptions, or non-variable tax credit. . . ."

The graduated percentage tax credit plan rapidly gained sponsors in both political parties and soon commanded majority support in the Senate. During a debate on November 21, 1963, Senator Keating said:

"Perhaps the bill could properly be called the Ribicoff-Keating-Humphrey-Goldwater bill. Having said that, I should say that it ought to have widespread support in the Senate, if four Senators of different philosophies have stated their adherence to the sliding scale principle. We can, therefore, look forward to big things for this amendment."¹⁴

The plan came up for congressional action three times and commanded a clear majority on each occasion. But it was not enacted when "the Johnson Administration used every ounce of influence it could muster" and "snapped the whip and lashed Senators in line against the proposal" (citing reports from *U.S. News & World Report* of February 14, 1964, and the *Washington Star* of March 14, 1966). Key legislators were told by Presidential Assistant W. Marvin Watson "that 'they were through' at the White House if they backed the Ribicoff plan." Mr. Watson "... emphasized that he was speaking for the President who . . . was prepared to deal them out of all Federal patronage and projects if 'you cross him on this vote.'" (The *New York Herald Tribune*, March 10, 1966) Even some of the bill's sponsors were forced to reverse themselves and vote against

it at Senate votes in February 1964 and March 1966 so that the plan could be defeated by a narrow margin. In 1967 the educational tax credit bill was sponsored by 47 Senators of both political parties and on April 14 of that year the Senate adopted the plan with a vote of 53-26. But again President Johnson succeeded subsequently in preventing enactment.¹⁵

WHAT WOULD TUITION TAX CREDITS DO?

The Ribicoff-Dominick plan—so named after its leading sponsors Senators Abraham Ribicoff and Peter Dominick—would permit anybody who pays for tuitions, fees, books and supplies for a student at an IHL (whether the payer be the student himself, his parents or a benefactor) a credit against his income tax liability, as follows: 75% of the first \$200, 25% of the next \$300 and 10% of the next \$1,000. This means that expenses of \$300 would allow a credit of \$175 (58%), expenses of \$1500 a credit of \$325 (22%). The credit starts tapering off from an income of \$25,000 on and vanishes at \$57,500.

The Treasury Department estimated in 1964 that the Ribicoff-Dominick plan would cost \$750 million a year, gradually rising to \$1.3 billion, and that 62% of the credits would accrue to beneficiaries with an income between \$3,000 and \$10,000, 91% to persons with an income under \$20,000.¹⁶

The claim was raised by the State universities that education tax credits would "help those who need it the least." This is simply not true and sounds particularly strange coming from an organization which for many years has steadfastly opposed the expansion of Federal scholarship programs. Most of the benefits of the tax credit plan would accrue to lower-middle and middle-income families which suffer more heavily from the burden of sending their offspring through college than any other economic group.

In other words, the tax credit plan offers little or nothing to the rich, little or nothing to the poor and aims at easing the future college burden of the vast majority of students who come from families "in between." Students from families with so low an income that they pay no or little income tax probably account for less than 10% of the enrollment. Most of them, as I mentioned earlier, are probably on a scholarship of one type or another.¹⁷

Senator Ribicoff explained:

"We must face squarely the need to provide tax relief to ease the heavy burden of college costs. It has been discussed for over a decade. Now we must decide if, as a nation, we are to treat education's costs as we do the interest on a home mortgage, or flood damage, or health expenses.

"This proposal is for the average family in America. It is for the people who constitute the backbone of America—the blue collar workers, the white collar workers, the wage earners, and salaried persons of the lower-and-middle-income group who are struggling to pay their bills, buy their homes, and educate their children. They work hard for their wages or salary—and it is all taxable.

"Our income tax is a graduated tax. It is based on ability to pay. If they pay a \$1,000 medical bill, they get some tax relief. If a tornado or flood causes them \$1,000 of damage, they get tax relief. But if they pay \$1,000 a year for 4 years to send their sons and daughters to college, they bear that burden with no help from our tax laws."¹⁸

Senator Dominick defined the aim of the plan: to enable a student's family to use its pre-tax earnings to pay for his college education.

The granting of tuition tax credits would not only free more scholarships for students from a low-income background, it would also stimulate thousands of potential donors to offer scholarships to needy students for which they would receive credits on their income tax.

WHAT ARE THE OBJECTIONS TO EDUCATIONAL TAX CREDITS?

Some have declared tuition tax credits to be unfair because they would provide no direct benefits to persons who pay no income tax. That is like saying that for example the 1964 income tax deduction was unfair because persons whose income is so low that they are not taxable did not benefit from the cut; or that personal exemptions and deductions are unfair to persons whose income is wholly derived from social security, unemployment compensation or public assistance because they cannot take advantage of them.¹⁹

If, however, it were felt desirable to make direct benefits available to persons who pay no income tax, the tax credits could be made absolute, as I suggested to the Senate Labor and Public Welfare and Finance Committees in 1963: a potential recipient would compute his income tax including his tuition tax credit and if his return winds up with a final net credit it would be paid to him, like any other net credit on an income tax return.²⁰

Some have even claimed that tuition tax credits would be unfair to persons who have no college expenses. That is like saying that deductions for medical expenses, casualty losses or state taxes are unfair to persons who incur no such outlays, or that granting exemptions for dependents is unfair to persons who have no dependents. I do not believe that such contrived and specious arguments deserve to be taken seriously.

You may have noted that I referred to benefits to students and their parents while earlier I was talking about helping the institutions. Opponents to educational tax credits have criticized the suggestion that both, institutions and students, would be benefited. Obviously, they say, it can be only one or the other.

But this is a misunderstanding. IHL have been steadily boosting their tuitions and if they continue to do—as they most certainly will—tax credits will enable them to receive substantial additional revenue without imposing a commensurate burden on their students. A significant share of the tuition increase will be borne by the Treasury and not by the students. Thus the benefits will in all likelihood be split between students and institutions. It is entirely irrelevant what the proportion will be. As long as a substantial part of the support of higher education is derived from fees, it is immaterial for the benefit question at what point in the stream the funds are added.

The Association of State Universities and Land Grant Colleges wrote in a circular letter dated February 27, 1963:

"While the plan has been 'sold' to many parents as a means of getting financial relief from the Federal treasury for the cost of sending children to college, it was in origin and is in its primary intent, a plan to siphon off substantial amounts from the federal treasury for support of colleges and universities."

Opponents in the 1964 and 1966 debates quoted repeatedly from my statements to the two Senate committees in 1963 in order to prove that what I really intended to do was to help institutions more than parents. I may as well admit that I do not regard the aim to aid colleges and universities at this point in time to be of a sinister nature nor a nefarious plot which needs to be unmasked. I can see nothing wrong with helping students and their families support the college of their choice. Aid to parents and to institutions are simply two sides of a coin which cannot be divided though some pretend that the one side they are looking at is the whole coin. It seems to me that the charge that a plan would "siphon off substantial amounts from the Federal treasury for the support of colleges and universities" comes in particular ill grace from groups which have long been

leading a campaign to channel large Federal funds into higher education—provided that their member institutions and no others were the only beneficiaries.

Nobody has ever seriously asked whether the tax law permits the deduction of gifts for educational, charitable and religious activities because it wants to aid the donor or the activity. We take it for granted that it is the intent of the provision to help the giver give, to motivate and enable him to give more for a cause that is held to be in the public interest. Similarly, tuition tax credits are not intended to help the taxpayer as such but to help him support the college of his choice.

It is significant that the cost of tax credits and their impact on the U.S. budget deficit are being quoted as an argument by groups which advocate sharply increased Federal spending for purposes in which they have a stake. The budget deficit, it seems, is of concern only when it is occasioned by a reduction in revenues through tax credits, but irrelevant to the extent to which it is caused by direct Federal expenditures.

Opponents say that institutions could benefit from tax credits only if they boosted tuitions and that higher tuitions would raise barriers for students from low-income backgrounds who would receive no benefits from the credits. The fact is of course that tuitions have been climbing steadily and will certainly continue to do so. The U.S. Office of Education prepared a projection—assuredly not based on the possible approval of tax credits—according to which average tuitions will rise from \$1,380 in 1968/69 to \$1,906 in 1978/79 at private IHL. Many families will find some of those boosts hard to bear unless they are granted relief in some form.

It is frivolous and nearly slanderous to charge—as some have—that boards of trustees would boost tuitions simply for the purpose of raiding the treasury, if income tax credits were made available. Boards approve tuition increases only when the financial needs of the institutions demand it—and often not even then. The question is whether students will have to bear the whole impact or only part of it. It is obvious that students from low-income backgrounds can be protected by being given a reduction or exemption from tuition boosts.

Some object to tax credits because they would open another loophole in the Internal Revenue Code. This would indeed be a valid argument if the federal income tax were otherwise comprehensive. The fact is, however, that in 1966 less than half of all personal income was taxable. Out of \$587 billion personal income, \$301 billion escaped taxation through deductions, exemptions, exclusions and credits to benefit literally hundreds of activities or to ease special burdens. Why should education be discriminated against and forever remain a stepchild of the tax code? Until at least a substantial share of the missing \$301 billion is subjected to taxation it does not seem fair to single out education for the rough treatment while granting numerous other activities a favored status. To worry about endangering the integrity of our income tax through educational tax credits is like being concerned about imperiling the virtue of a prostitute by letting her read a sexy book.

President Charles Cole of Amherst College once made a cogent comment on the fairness of tuition tax credits: "Tax payments to states which finance public universities are deductible from income reported for Federal taxes, but if the payment for education is made to a private institution, no tax allowance is to be had."²¹

Investment credits, authorized in 1962

at President Kennedy's recommendation, proved to be a very effective stimulant for plant expansion and job creation. Similarly, tax credits could turn out to be a very profitable investment for the taxpayers. If such credits were granted and some students thereby enabled to attend a private IHL—while without the credit they could not afford to enroll at any but a low-tuition public IHL—the taxpayers would save \$2,000 a year or more for a concession which is limited to \$325 under the Ribicoff-Dominick Plan.

That plan is heavily slanted in favor of low tuition public institutions. A student who pays a tuition of \$299 (the 1968/69 average) at a public IHL would have 59% of his payment wiped out by the credit; a student at an average private IHL (1968/69 tuition \$1,380) would only get a credit equal to 23% of his cost. Dollarwise the credit of the student at the private IHL would be \$138 higher—but his additional fees would amount to \$1,038, or eight times as much.

One argument sometimes used against tax credits appears to be fact-based: tax credits would not enable the national government to increase its influence on the policies and practices of IHL while added programs of direct grants-in-aid to institutions would significantly strengthen the supervision and control which Federal Departments already exercise through some of the existing programs. Whether greater control of education by the central government is desirable or not is a question of political philosophy.

It is not surprising that the Association of American Colleges in 1964 with an overwhelming vote decided to endorse tax credits in higher education. President Nixon has also advocated educational tax credits during the presidential campaign, in keeping with the Republican platform adopted in August 1968.

Another form of tax credits can be at least as beneficial to IHL as tuition credits: credits for donations.

FEDERAL INCOME TAX CREDITS FOR DONATIONS TO HIGHER EDUCATION

Donations to higher education are highly concentrated in two ways:

(a) The bulk of the gifts goes to well-known prestige institutions with the crumbs left for the others;

(b) Most of the total amount of gifts from individuals comes from wealthy persons and families. Small contributors account for only a small share of the aggregate.

This is probably inevitable under our present federal tax laws. The Internal Revenue Code permits an individual to donate to higher education, and to deduct from his income for tax purposes, up to 30% of his income, a corporation up to 5% of its profits. But most taxpayers give nothing to higher education and those who donate give only a small fraction of their allowable contribution except a few persons in the highest income brackets. Under our progressive income tax scale, with rates ranging from 14% to 70%, high-income persons can shift up to 70% of the cost of their gift to the U.S. Treasury. Moreover, by donating property which has gained in value over the years, they can avoid paying a capital gains tax. So their gift may in the end cost them little if anything.

But taxpayers in the lower brackets find that up to 86% of their donation comes from their own pockets. And since it is so much more expensive for them to donate, not many of them do. Only a small fraction of the ten million college graduates and of another ten million persons who attended college for from one to three years are regular contributors to their alma mater or to any other college—although they paid only part of the cost of their education while they

attended and most derive substantial material benefits from the education they received or the degree they were given.

The undesirable consequences of the high concentration of voluntary giving—from a few wealthy individuals and families and to name colleges—are too obvious to require much explanation. It is much healthier for a college to get 10,000 contributions of \$100 each, and get them on an annually recurring basis, than to receive a \$1 million gift from a rich individual.

Voluntary support of higher education could be placed on a far broader foundation, with millions of new contributors making regular annual donations by a change in the tax law which has been repeatedly suggested in recent years but not yet been approved by Congress: to permit deduction of a donation from the income tax itself rather than merely from the tax base (adjusted gross income). A proposal to permit a 100% tax credit (i.e. a direct offset against tax liability) up to \$100 to individuals and \$5,000 to corporations was submitted to the Senate Labor and Public Welfare Committee on May 16, 1963, by President John A. Howard of Rockford College and President Landrum Bolling of Earlham College on behalf of an ad hoc committee of college and university presidents. Several bills to implement the plan were introduced in the 88th and succeeding Congresses but no further action has so far been taken.

If a donation up to a ceiling of \$100 (or preferably a somewhat larger amount) were deductible from the Federal income tax liability itself it would give taxpayers the choice of sending \$100 to the federal tax collector or to a college. This would cause millions of alumni and others to make regular annual donations to higher education and huge amounts of new money would flow to the colleges, public and private, for general operating purposes and for scholarships. Small colleges would then more equitably participate in the gifts and the existing imbalance would gradually be reduced. Federal income tax credits for donations to institutions of higher learning could well become the most significant advance in college finance and would help save many institutions which otherwise might not be able to survive.

CONCLUSION

The urgency of current pleas for congressional authorization of sharply increased funds for IHL reflects a spreading fear that the institutions may shortly face a grave financial crisis. There are good reasons for this fear, although they are not necessarily the reasons most frequently cited by petitioners for funds. The mass riots, violence and wanton destruction that have occurred on college campuses across the nation, the forcible disruption of studies and of orderly administration that have been permitted to take place and to continue at institutions, large and small, public and private, have seriously eroded the respect, affection and genuine pride which the American people have traditionally accorded to higher education and its leaders. Nor have student—and even faculty—expressions of outright hostility to all programs that tend to strengthen the defensive capacity of the United States—through research, through ROTC and other forms of cooperation—done much to endear the academic world to the overwhelming majority of the American people. Recent polls suggest that a growing segment of the general public has become disenchanted with higher education, appalled and repulsed by many of its products.

Those sentiments are beginning to show in a diminished flow of incoming gifts, and in adverse votes on education issues on state and local ballots. Sooner or later they may also be reflected in the treatment that colleges and universities can expect from state

²¹ Footnotes at end of article.

legislatures which must shape their policies to conform with the wishes of their constituents.

The ire of State and national officials and of the American public is directed in part against students who, in the words of the Attorney General of the United States, have established a "minority tyranny on the nation's campuses." It is aimed even more at administrators, trustees and faculty who have defaulted on their duty to protect the right of the other students, an overwhelming majority, to pursue their education without being subjected to interruption or physical violence. The adverse, and in some cases destructive, impact of that sentiment on the support of higher education may last for many years and possibly for decades.

Not without reason do the heads of institutions fear that increases in donations and state appropriations may be harder to come by in the future than they have been in years past. That is why they petition Congress to grant them immunity from the impending backlash. Enlarged Federal grants to institutions could for a time protect academia from the people's wrath. But they could also lead to a lasting alienation between town and gown, coming ironically at about the time of the greatest democratization of higher education, at a time when many institutions in their eagerness to make everybody fit for college have made college fit everybody.²²

Nor has the efficiency with which educational funds are being spent, augmented the confidence of erstwhile and would-be supporters. Any industry that utilized its skilled staff and costly facilities as wastefully as the average American college or university would have been bankrupt long ago. Such waste has become excessive and flagrant in recent years. One of our most experienced academic management experts, Harold B. Wess, recently posed the crucial question: "Is Efficiency Taboo in Academia?" as the title of an article that merits attention (*Educational Record*, Winter 1968).

In 1968 even the American Association of University Professors admitted that, in contrast to the rest of the economy, higher education has registered little or no increase in productivity through technology. The Association denied that soaring costs are the product of either inflation or inefficiency; but it did conclude that "ways will have to be explored to increase productivity of those engaged in the educational process" (*Annual Report of Committee Z*).

Greater efficiency and a better product are more likely to emerge on the American campus when the voice of the broad public, upon whose efforts and good will the support of higher education ultimately depends, is no longer drowned out by the strident cries of belligerents bent on the destruction of our society and its institutions. It might well be that the public voice can speak and be heard more clearly if tax credits are used to aid education rather than Federal grants which aim to shield colleges and universities from the popular will.

FOOTNOTES

*The author is Senior Staff Member, The Hoover Institution on War, Revolution, and Peace, Stanford University. Currently, he is serving as special assistant to President Nixon. Opinions expressed are his own and should not be attributed to any of the organizations with which he is or was connected.

¹ Educational data from: USOE, *Digest of Educational Statistics, 1968 and Statistical Summary of Education, 1947-48*. Economic data from: *Economic Report of the President*, January 1969.

² USOE, *Projections of Educational Statistics to 1976-77*, 1968.

³ Could the preoccupation of university authorities with the procurement of greater re-

sources be somehow related to their inability to meet the challenge of campus unrest?

⁴ Duncan Norton-Taylor, "Private Colleges: A Question of Survival," *Fortune*, October 1967.

⁵ *Special Analyses, Budget of the United States, Fiscal Year 1970, Part 2 J*.

⁶ *Congressional Record*, June 6, 1963, p. 9677.

⁷ *Congressional Record*, April 26, 1966, p. 8621.

⁸ Those rates of concentration were somewhat reduced in the past few years.

⁹ The situation is, however, reversed in universities.

¹⁰ *Educational Record*, 1963.

¹¹ Clark Kerr, "The Distribution of Money and Power," *The Public Interest*, Spring 1968.

¹² *Education Legislation—1963*, Hearings of the Subcommittee on Education of the Committee on Labor and Public Welfare, U.S. Senate, 88th Congress, 1st Session, 1963, pp. 1265 ff, *Congressional Record*, May 27, 1963, pp. 8928 ff.

¹³ *Congressional Record*, June 6, 1963, p. 9676.

¹⁴ *Congressional Record*, November 21, 1963, p. 22594.

¹⁵ A more extensive description of the Congressional proceedings is contained in my book *Crisis in College Finance?* Washington, D.C., The Institute for Social Science Research, 1965, Chapter 10. Adoption of the plan: *Congressional Record*, April 14, 1967, pp. S5222 ff.

¹⁶ *Congressional Record*, February 6, 1964, p. 1733.

¹⁷ Ninety-four percent of the students from the lowest quartile in family income now receive some form of Federal assistance. *Special Analyses, Budget of the United States, Fiscal Year 1970*, p. 124. This does not include students receiving state or private scholarships.

¹⁸ *Congressional Record*, February 6, 1967, p. S1523.

¹⁹ In 1966 about \$10 billion in deductions (standard and itemized) and personal exemptions did not help reduce the tax liability of the persons who had submitted those returns because their deductions and exemptions exceeded their income by that amount. Those returns were not taxable even before applying the \$10 billion deductions and exemptions to which the law entitled them. Does that mean that deductions and exemptions are unfair?

²⁰ Amendments to that effect were offered by Senators Hartke, Prouty, etc.

²¹ *Higher Education in the United States: The Economic Problems*, Seymour E. Harris, ed., Harvard University Press, 1960, p. 15.

²² According to a Gallup Poll, published March 13, 1969, 84 percent of the public wants federal aid withdrawn from campus lawbreakers. On but few issues has public opinion been so clearly united as on this. But no college or university has obeyed the Federal prohibition against granting Federal funds to students convicted of campus disruptions. A further widening of the chasm between the campus and the community could lead to ruin of higher education.

[From the New York Times Magazine, Apr. 21, 1968]

THE HIGHER COST OF HIGHER EDUCATION

(By Myron Brenton)

Recently, Julius Margulis, the owner of a thriving furniture and appliance store in Columbus, Ohio, conducted an exercise in masochism. At a visitor's request, he calculated roughly how much he would end up paying to give his five children the benefits of higher education. Since one daughter was already a Northwestern University graduate, a second had received her degree from Ohio State University and a son was midway through Wisconsin State University, Margulis

had plenty of experience to draw on. Despite the fact that he is, as he put it, "comfortably upper middle class," the figures he so casually jotted down shocked him. He had already spent \$18,500, and before the last of his brood proudly departs with his sheepskin, Margulis will have put out a total of \$40,000. "More," he added in awed tones, "if any of them go on to graduate school."

Margulis is perhaps atypical in that he plans to give five children college educations and is single-handedly picking up the king-sized tab. As a man stunned to discover how really high the cost of education can be, however, he is quite representative. Not only successful appliance dealers from Ohio but parents by the hundreds of thousands, from all parts of the country and in all income brackets, are discovering each year the awesome facts of educational life.

They find themselves caught in what, over the past six years or so, has settled into a classic squeeze: (1) they have failed to prepare adequately for the financial demands of higher education or have been unable to do so; (2) they underestimate the costs or, more likely, overestimate their children's chances of obtaining hefty scholarships; and (3) their incomes—at least the portions available for discretionary purposes—fall to keep pace with college cost increases or have already been allocated for other purposes.

All indications from governmental educational and foundation sources are that things will get a lot worse before they get better. In fact, it is difficult to find any knowledgeable person who will speak hopefully about the finances of the college student's parents, and figures from the Department of Health, Education and Welfare provide no basis for glowing optimism. They show that the average annual all-inclusive cost to a resident student at a private institution of learning was \$1,850 in 1957 and \$2,570 in 1967, and will be an estimated \$3,280 in 1977. They indicate that the average annual cost to a resident student at a public college or university was \$1,260 in 1957 and \$1,640 in 1967, and will be \$2,160 in 1977.

In other words, each school year heralds an inexorable rise of roughly 3 to 5 per cent. According to a study by the College Entrance Examination Board, to which over 850 colleges and universities belong, even a student who lives at home and commutes to a tuition-free college can expect to pay approximately \$1,000 a year for books, supplies, fees, transportation and general living expenses.

Statistics such as these cause millions of parents whose incomes are adequate for most ordinary purposes to ask searching questions. One distraught mother wrote her Congressman, Rep. Charles S. Joelson of New Jersey: "My husband and I pay tax on about \$9,000 income. Average middle-class American family. We have two children, a boy and a girl—again, average American family. Now both these children have reached their college years. Both children have above-average ability and potential and will, more than likely, go on to receive their doctorates. Lovely! Something, as parents, we are proud of. But, as parents, how do we pay for it?"

How do we pay for it? A plaintive cry heard not only from distraught parents and students but from the educational institutions themselves. They, too, are very much in a financial bind. The crucial matters for both are the population explosion and the changing socio-economic pattern of American society—as well as the rising expectations it reflects.

Forty years ago, only 8 per cent of all American families earned more than \$8,000; today their number has quadrupled. Forty years ago, college was a way station for the well-to-do, with a sprinkling of lower-income students (many from immigrant families) whose parents scrimped and saved to

put them through. Today the broad middle class clamors at the university's gates, demanding to be let in, demanding quality education. Result: a bachelor's degree is very nearly an indispensable requirement for even moderate success in job or career, and the pressures of our technological age (as well as the quest for status) are making graduate work increasingly popular.

Though higher education is becoming less a privilege for the wealthy and more a right for everyone, it should be noted that the disadvantaged—despite scholarship and community-action programs designed to help them—are not in college in significant numbers. U.S. Office of Education statistics show that only 4.6 per cent of the campus population is Negro. At the moment, for groups with very low incomes, failure to be academically prepared and motivated for college is more of a problem than finding the money to pay for it.

Thus, its clientele drawn primarily from the middle classes, higher education is undergoing its own population explosion. Enrollment swells unchecked, with a 3-million increase in the past decade and a similar one expected in the next. This means more construction, more services, more instructors and spiraling costs all down the line. Paradoxically, as high as they are, tuition and fees pay a surprisingly low percentage of the total costs. Joseph Froomkin, Assistant Commissioner for Program Planning and Evaluation at the U.S. Office of Education, estimates that, on the average, the student pays only about 20 cents of every dollar it costs to educate him, even if he pays full tuition. This figure may be low, especially for the more expensive private institutions, but Froomkin insists that "college is still a bargain in that only a small percentage is being paid for by the student." It is a point worth making.

In another sense, though, a bargain is a bargain only if one is able to pay for it. To the family making, say, \$10,000 a year before taxes, with two or more children away at college, even a low-cost state university proves exorbitant.

Shouldn't parents have been saving over the years for this contingency? Ideally, yes. But a survey commissioned by the College Entrance Examination Board shows that the majority of families whose sons and daughters will go on to college fail to, or aren't able to, plan adequately ahead. And even if money has been systematically put away for college, the sum frequently turns out to be painfully short of the mark because of unexpected tuition boosts. The same holds true for many insurance plans begun a couple of decades back.

Commonplace among parents who saved for their children's education is the New Jersey couple who years ago put aside \$1,500 for each of their two children, thinking that this would cover most or all expenses. They now maintain both youngsters at private universities at a combined annual cost of \$7,000; family earnings are \$9,500 a year. The schools are prestigious, the children were readily accepted, the parents wanted their youngsters to take advantage of the opportunity; the family is now saddled with heavy long-term debt.

"We didn't really pay much attention to college costs, to the way they were taking big jumps," explained the mother in this unremarkable case history. "Not till Alan was in his senior year in high school and we had to come face to face with the thing. There had been other things to worry about—the house, the cars, vacations that cost us dearly..."

House, cars, costly vacations. Add on, for some parents, payments on expensive furniture, stereo sets, country club fees and all the other appurtenances of the good middle-class life. Here is another aspect of the problem, one having to do with the philosophy of sacrifice. With even relative affluence, in-

creasingly higher levels of comfort and aspiration become the norm. Almost subtly, as is so often said, former luxuries become necessities.

Given such circumstances, the quality and nature of sacrifice change. To be sure, some families still work day and night to send their kids to college, but for the most part it is no longer a question of giving up everything to accomplish this. The family struggling to pay off the mortgage and make car payments will hardly dispose of house and automobile and move into a two-room flat to pay college bills—and no sane person would expect them to. Other adjustments are made, other compromises sought. Cheaper vacations, for instance, or maybe just a few summertime weekend trips. One lets several extra years go by before trading in the car. Some husbands take second jobs, wives go to work or stay on the job longer than anticipated. Other expedients are also found: Julius Margulis, the Columbus furniture-store owner, recalls when money had to be withdrawn from the firm to meet college bills, "causing harm to the business."

In sum, one scrambles to maintain as nearly as possible one's accustomed way of life and to meet the extra expenses. For many parents, planned economies help only so much. A survey made for the New York State Board of Regents, startling in its implications, shows that, on the basis of 1963 income figures, little more than one-fourth of America's families can meet all college expenses, even when tuition is as low as \$200. Only 4 per cent of American families can meet the entire cost of high-tuition institutions, the ones in the \$3,000 range for resident students.

"Soon I will be spending—if I have to rob a bank—some \$10,000 a year with three children in costly schools," complained an angry Fort Lauderdale man who is clearly not in that 4 per cent. Addressing himself to Senator Abraham Ribicoff of Connecticut, who has been responsive to the plight of the student's family, he added, "I have bright kids. I only make a little over \$15,000. Literally, I will have to sell the roof over our heads to do it!"

He will not rob a bank or get rid of his home, not really. If he follows the typical pattern, the first thing he will do is have his sons apply for scholarships. But according to financial aid officers, the scholarship realities offer a real shock to many parents. "Because their children are scholarship material," explains Sanford Jamison of the College Entrance Examination Board, "parents take it for granted substantial scholarships are going to be won. But need plays a very important part. Of course, the better potential student he is, the more chances he has of getting money."

It may be a measure of how expensive schools have become or how behind-the-times some families are that not even relatively substantial incomes deter them from seeking scholarships. "Even \$30,000 parents are asking for financial aid," says Virginia Shaw, who is in charge of the aid office at Barnard College.

Of course, whatever the family's earnings, the chance for scholarships is much better for straight-A students and, in some schools, for applicants who are excellent basketball or football material. But the reactions of a very generous number of middle-income families are accurately mirrored in that of Milt Miller, a suburban New York newspaperman. Recalling that both his sons were in out-of-state institutions at the same time, Miller concluded: "The middle-income family is really in a bind. Not poor enough to qualify for scholarship, not rich enough to pay for the tuition costs—especially if there's an overlap of children going to school."

Actually, things aren't that rosy for low-income families, either. On the one hand, there has been a moderate but steady increase in available scholarship dollars over

the past several years (though it is not necessarily a higher percentage of school budgets). For instance, in 1961 institutional funds available for scholarships, grants and work-loan programs totaled \$275 million, and by 1967 the amounts had grown to \$513 million. On the other hand, the demand for funds grows at a far more rapid rate and scholarship funds are very limited, even for the sons and daughters of poor families. Many of these, too, find themselves unable to win grants. Applicants for Columbia University's Class of 1970, for example, included 84 needy students placed in the "Admit-Deny" category—admitted to the school, but denied financial aid. Only by raising the amount students were expected to supply themselves through jobs and loans could this category be eliminated in the following year's class. The money problem is becoming worse at many schools because of a cutback in Federal funds for a number of aid programs. Students with C-averages, those who are near the end of the scholarship line, tend to be hardest hit.

To bring order into what would otherwise be a chaotic and perhaps capricious situation, the College Entrance Examination Board's College Scholarship Service has set up guidelines widely used by school financial aid officers. The rules are based on a variety of factors, including family assets and liabilities, but fundamental to them are U.S. Department of Agriculture cost-of-living studies. The guidelines suggest the amounts parents can expect to contribute under varying circumstances. Though the tables recently were revised downward, they nevertheless reflect the basic assumption that higher education is a privilege of calling for a significant measure of parental sacrifice. A two-child family (with only one in college) earning \$10,000 a year before taxes is expected to contribute \$1,350 toward annual college expenses. If this family earned \$15,000, it would be expected to contribute \$2,300. These expectations are for "uncomplicated" cases, high medical bills, the necessity to support aged parents or other extenuating circumstances lower the amount parents are expected to contribute.

To stretch their limited scholarship funds, most schools supply "package aid," combining a grant, a loan and a job. Columbia's Director of Financial Aid, Harland W. Holington, cites the example of an A-minus student. The family earned \$7,000 a year and was expected to contribute \$900, while the student was given a \$2,150 scholarship, a \$200 loan and a \$500 job.

Generally, needy students are expected to work during the summer and possibly also during the school year. The high percentage of undergraduates who hold jobs during the school term—whether under institutional plans, the Federal Work-Study Program or on their own—is another significant indication of the high cost of higher education. A survey by Northwestern Life Insurance Company's Family Economics Bureau shows that at many of the nation's most prominent schools, better than three-fourths of the male undergraduates earn at least part of their expenses by working. And while work may be a virtue, it is not too much of one given the extreme academic pressures in most colleges. In the official view, no full-time student should work more than 10 or 15 hours a week. But if the need is there, students will work many more hours than that. Describing two of her classmates who, despite scholarships, must work 25 hours a week and find it difficult to keep up their grades Barnard senior Sue Levine says: "I've never seen such valor in my life, but the squeeze is on those kids, and they may lose their scholarships. It's tragic."

Increasingly, families that can do so borrow the money to pay for education. Borrowing against life insurance policies is a

method recommended by some financial aid officers, but many families apply for commercial loans at banks, and savings and loan associations or finance companies, often repaying the money over a five-year or six-year period. Even that is proving a hardship in some cases, and eight-year plans are now in the works.

"Years ago, people resisted the idea of financing their children's educations with monthly payments, but when the Government got into the educational loan business it took the stigma away," reports Robert K. Keir, president of The Tuition Plan, a subsidiary of the far-flung C.I.T. Financial Corporation.

There is no stigma now, that is certain. The Tuition Plan illustrates one interesting phenomenon in education-financing—the emergence and growing prosperity of firms devoted solely to selling loans for schooling. Though founded in 1938, The Tuition Plan has, according to Keir, enjoyed particularly good fortune only in the past 10 years. In 1956 it had a handful of employees; now there are over 80. In 1956 only about 5,000 students were being covered by its finance plans; now the number exceeds 50,000. In the past decade, it has financed college educations for over 500,000 people.

A number of banks handle educational loans as they would any other consumer loan transactions, with charges running roughly from 9 to 11 per cent a year in simple interest, though the rate may be expressed in jargon that makes it sound much lower. Other banks offer educational loans at a lower-than-usual rate—as a public service—but a tight money market may help force a change. Educational loans cannot always be handled as economically as others. The specialized educational-loan firms charge the highest rates of interest, though exact fees are often hidden in a welter of "service," life insurance and other charges. A few years ago an independent firm of consulting economists made a study of programs offered by several educational loan companies. It said simple monthly interest ranged from 1.09 to 3.64 per cent. Though the cost is high, parents heavily committed to bank loans find the educational lenders especially useful because few applicants are turned down for credit reasons. Nonetheless, delinquencies tend to be low.

And what are the states and the Federal Government doing about the college cost squeeze? Some states do very little, others quite a bit; New York State the most. New York has the strongest scholarship program in the nation; it awards Regents Scholarships ranging from \$250 to \$1,000 to some 20,000 students each year; under its Scholar Incentive Program nearly every full-time undergraduate is given a stipend of \$100 to \$500, depending on need, for the payment of tuition. New York also operates the largest state guaranteed-loan agency in the nation.

The Federal Government, under the National Defense Education Act of 1959, has a guaranteed-loan program that allows needy undergraduates to borrow up to \$1,000 a year, graduate students up to \$2,500. Repayment is spread over 10 years at 3 per cent annual interest on the unpaid balance. For people going into teaching, as much as half the debt may be written off at the rate of 10 per cent a year.

Not surprisingly, there are plenty of problems. Participating schools must put up \$1 for each \$9 the Government contributes—and, as the demand rises, they are increasingly hard-pressed to produce the funds. Collections, which the schools must handle, add to the cost of maintaining the program. Though no official figures are forthcoming, the delinquency rate is proving to be alarming. "About five times as high as for the average commercial loan," estimates one informant in the educational loan field. He says borrowers tend to be more responsible

about repaying private loans, possibly because of a concern over maintaining their credit ratings with the private lenders.

Under the Higher Education Act of 1965, the Government instituted a guaranteed loan plan aimed at middle-income and upper-income families, who have not been in articulate in conveying to lawmakers their chagrin about mounting college costs. Need is not a requirement. Seed money is given to states that want to administer their own guaranteed-loan agencies, and standby Federal funds are available for those that don't. Undergraduates may borrow up to \$1,000 each year, graduate students up to \$1,500. The money is borrowed from a bank or credit union. Repayment may begin up to nine months after the student leaves school and, in some instances, run for as long as 10 years. If the family's adjusted income (total income minus exemptions) is less than \$15,000, the Government pays half the interest—6 per cent a year—during the repayment period and all of it while the student is in school.

Once again—problems. State legislatures didn't rush to sign up, and the paperwork proved more involved and expensive than anticipated. Though the banks, through the American Bankers Association, pledged unyielding loyalty to this new program, they were not overjoyed to receive it just when "tight money" was giving them difficulty. Furthermore, the banks quickly discovered that 6 per cent simple interest did not allow them to break even, much less earn a profit.

Thus, while theoretically any student could obtain a loan from any participating bank, in practice it has not worked out that way. Many banks allocate a certain sum to the program each year, and the well quickly runs dry; some banks see that guaranteed loans go only to children of regular clients. (Generally, this does not hold true for banks in New York State, possibly because the state's own program is so well-established.) There have been abuses on the part of students, too—for instance, using loan funds to purchase cars instead of education, or keeping a large bank balance—at 5 per cent interest—while borrowing college money at 3 per cent.

Authority for the Office of Education to set up new Federal guarantees expires at the end of June, and the House Special Subcommittee on Education is receiving testimony to determine what direction the program should take.

The Office of Education would like to see a broader insurance plan that would greatly expand the Government's role and risk in guaranteed loans. The banking community would like to see interest rates rise to 7 per cent. The United Student Aid Fund, a private, nonprofit guarantee agency that also operates 29 state programs, would like to see a number of reforms—among them, limits to Federal involvement and the extension of authority to school financial officers to determine need. Basic to the fund's objections seems to be the fear that Federal support will drive out state and private loan contributions.

This being a political year, observers in Washington foresee a final bill that continues the program for another few years without creating a need requirement of significantly expanding its scope, and that sweetens the pot for the bankers by raising interest rates of adding a special fee.

This is not likely to be the year, however, that Senator Ribicoff's efforts on behalf of parents and students make significant headway. Ribicoff has introduced legislation that would provide a tax credit for anybody—including the student himself—who finances college tuition fees books and supplies. The credit would be applied on a sliding scale and have a ceiling of \$325. The proposal, twice voted down, has earned the Johnson Administration's implacable hostility because of Treasury Department estimates that it would

cost the nation roughly \$1.1-billion in the first year alone. Indeed, some observers note that the guaranteed loan program came into being partly as a way of shunting aside Ribicoff's proposal, which at present languishes in the House Ways and Means Committee. The Committee chairman, Wilbur Mills is reported to have said that the bill would pass over his dead body.

Any massive social problem—and the high cost of higher education is certainly becoming one—fosters its share of visionary proposals. One such suggestion, free higher education for everyone, has been advocated over the years by several leading educators. Among its drawbacks are the fact that many people are likely to reject the idea of total Federal subsidy and, of course, the problem of paying for it.

Possibly more tantalizing for some is the idea of an "educational opportunity bank," which was briefly mentioned by President Johnson in an economic message last year and has been endorsed by such educators as Yale's president Kingman Brewster Jr. In effect, the Government would finance through loans every student's higher education. The loans would be repaid out of earnings over a 40-year period in the form of specified income tax surcharges. Graduates entering low-income fields or suffering a run of bad economic luck later in life probably would not pay back all they owed. Those who became extraordinarily successful would no doubt demand a lump-sum payback option. These and other puzzles—for instance, what to do about women who get married right after school and do not work—remain to be ironed out.

This proposal, admittedly visionary at present, triggered an angry response from the National Association of State Universities and Land Grant Colleges and from the Association of State Colleges. They talked about a "life indenture" for students—though the students would be self-sufficient adults by the time they began paying off their loans. Underlying the opposition seems to be the fear that state legislatures and private sources would greatly curtail their support of public colleges and universities if such a program were enacted, requiring even greater tuition boosts than would otherwise be necessary.

But tuition will keep on zooming in any event, and already the high cost of higher education is creating problems that go far beyond the heavy drain on family purses. Most educators applaud the idea of diversity in educational life, but rising tuitions are tending to do away with it. No school, public or private, can expect a good "socioeconomic mix" of students if tuitions are high and scholarships insufficient. Private schools cannot survive if the majority of students are forced to choose only low-cost, state-supported schools. The beginning of a geographical freeze—with its resultant provincialism—is becoming evident as the more popular state-run schools raise tuitions for out-of-state students above \$1,000 and the pool of parents who can afford them is drastically reduced.

Apart from limitations on diversity, there is the issue of heavy student indebtedness. Increasing numbers of young people are beginning their careers heavily in debt, some with overlapping loans to be paid off. Consequently, many graduates are making their career choices on the basis of pay rather than long-range advantage or reward.

The problems are considerable; it may well turn out that the solutions will have to be of equally impressive dimensions.

Mr. GOODSELL. Mr. President, the arguments for a tax credit for educational expenses are well known and have been developed at length in recent years.

What most impresses me is the impetus such a measure will inevitably give to

first, improving our educational system at both public and private institutions and second, broadening the opportunities available to the public for higher educational training.

The tax credit proposed by the distinguished Senator from Colorado (Mr. DOMINICK) and the distinguished Senator from Connecticut (Mr. RIBICOFF) 16 of my colleagues and myself will encourage the widest possible attendance at colleges and universities and help spread the benefits of higher educational training throughout our population.

Carefully directed use of tax relief is perhaps the most effective form of Government assistance to higher education. It does not require the creation of cumbersome and costly bureaucratic machinery. And it avoids controversy over Government determinations as to the institutional beneficiaries of Federal support.

There can be no charge that, by Government fiat, church-sponsored institutions are being favored, that secular institutions are being favored, that public institutions are being favored, or that private institutions are being favored. Institutions will benefit from the indirect support of the proposed tax credit solely to the extent they attract students. And the attraction for students will increase as educational opportunities improve.

I have been on record for favoring an educational tax credit of this nature since the early 1960's.

On October 3, I introduced a bill, S. 2992, which would establish such a tax credit for expenses for higher education. The provisions of the bill were analogous to those of Senators DOMINICK and RIBICOFF's—except that it would also have provided a 10-year carry-forward of unused credits for students working their way through college.

The Dominick-Ribicoff amendment is substantially similar to the educational tax credit that was passed by the Senate in 1967.

Mr. President, the amendment as offered would cost an estimated \$1.9 billion a year.

Mr. RIBICOFF. Mr. President, will the Senator from New York yield at that point?

Mr. GOODELL. I yield.

Mr. RIBICOFF. The figure is \$1.7 billion. The \$1.9 billion would have been the amount as phased out at \$47,500 but this, together with incomes now at \$31,250, is phased out, which reduces the overall cost, so that the overall cost would be in the nature of \$1.7 billion.

Mr. GOODELL. I thank the Senator from Connecticut for pointing out that change in the amendment. I know that the Senator agrees we are dealing with estimated figures, in any event. It is difficult to cost them out, but in response, the estimate is \$1.7 billion a year.

The amendment would provide a tax credit of up to \$325 to any taxpayer who paid the tuition and fees of another student or himself at any institution of higher learning offering courses above the 12th grade including business, trade, or vocational schools.

The credit would be computed on the first \$1,500 of expenses for each student in the following manner: 100 percent of

the first \$200, 25 percent of the next \$300, and 5 percent of the subsequent \$1,000.

The available credit would be reduced gradually by subtracting from the credit 2 percent of the taxpayer's adjusted gross income in excess of \$15,000. No credit would be available to the taxpayer with an adjusted gross income of more than \$31,250.

The credit would cost the Treasury an estimated \$1.7 billion a year.

Under the Dominick-Ribicoff amendment, the tax credit would go into effect in taxable year 1971.

This effective date was written under the assumption that the tax relief provisions of the bill would be those recommended by the Finance Committee. On that assumption, I would have supported the 1971 effective date.

Since that time, however, the Senate has chosen to drop the Finance Committee's tax relief provisions and adopt instead the \$800 personal exemption proposed by the Senator from Tennessee (Mr. GORE).

This action—which I opposed because of its inflationary impact—will cost the Treasury about two-and-a-half-billion dollars more than the committee's tax relief proposal in taxable years 1970 and 1971.

We are facing an extremely serious inflation which may take as much 2 years to control. Mr. GORE's amendment will result in the entire tax bill's producing a net loss of more than \$2 billion for taxable year 1971—the year that may prove to be the critical one in bringing this inflation under control.

The implementation of the educational tax credit for the taxable year 1971 would mean that the net loss to the Treasury would be increased by an additional \$1.9 billion—as of close of business yesterday. Had the amendment been enacted at that point, this would mean a total of over \$4 billion.

A net loss of \$4 billion for 1971 would make it virtually impossible, in my judgment, to take effective measures to bring inflation fully under control in that crucial year.

Accordingly, I propose that the effective date of the educational tax credit be postponed for an additional year—until taxable year 1972.

By taking this step, we can avoid placing a further burden upon the Federal budget until we have given the administration a reasonable time to put a halt to the inflation.

Mr. President, I am introducing my amendment to the Dominick-Ribicoff education tax credit amendment to try to promote a principle in which I believe very deeply; namely, that there should be a tax credit to relieve those who are carrying the burden of higher education and, at the same time, face responsibly the fiscal problems of our Government at this time.

My amendment would make the educational tax credit first take effect in the taxable year 1972, instead of the 1971 taxable year.

I believe that my amendment will enable us to achieve the beneficial results of an educational tax credit at a time when our economy is operating on a

sounder basis than it is today. It will help us achieve our objective of broadening educational opportunities in a more fiscally responsible manner.

Mr. President, I emphasize that this is no criticism of the two chief cosponsors of the amendment as they drew it up. It is made on the assumption that the bill contained a revenue gain and a revenue loss along the lines of the committee bill. That is not the case today and I think this amendment, therefore, is an appropriate one, and I hope that it will be adopted.

Mr. DOMINICK. Mr. President, will the Senator from New York yield?

Mr. GOODELL. I yield.

Mr. DOMINICK. I appreciate the remarks of the Senator from New York, together with his help, because I know that he has been interested in this subject for a long time. We welcome his amendment and wish to incorporate it as a part of the proposal now before us, on the very ground which the Senator has so aptly put forth; namely, that the bill we are trying to amend has been so changed since it hit the floor that to postpone the effective date of this for 1 year will be a benefit as opposed to it being a deficit.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. (Mr. Moss in the chair). The Senator from Colorado will state it.

Mr. DOMINICK. Have the yeas and nays been ordered on this amendment?

Mr. RIBICOFF. The yeas and nays have been ordered.

Mr. LONG. Mr. President, if the Senator will yield, I do not know that it will be necessary to have the yeas and nays on this amendment. If the Senator's amendment is not accepted, he can then insist on the yeas and nays.

I have been listening to this colloquy and have been thinking about going along with the amendment and offering to take it to conference to do the best we can for the Senator there. We have been in conference with the amendment before. The problem is not here but in the House of Representatives.

Mr. DOMINICK. I understand that, and very much appreciate the comments of the Senator from Louisiana. I have served in the Senate only a short time compared to the distinguished Senator from Louisiana, but during that time I have always found that if one had a roll call vote to support his amendment, he would have a stronger position in conference than if he did not have one, and I more or less feel that way with this amendment.

I know that the Senator—and I am happy to note this—supported the amendment the last time on a roll call vote. I realize that he has a tough time as chairman of the committee doing this, but he was nice enough to say that during the process of consideration of the vote the last time we had it adopted, that he had, prior to that time, seen other amendments and tax bills costing more money than this, he was told this was a good approach, and he is supporting it.

Mr. LONG. We had a rollcall vote previously, but we could not hold it in con-

ference. So far as I am concerned, if the Senator wants to forgo a rollcall vote, we would be prepared to take the amendment to conference. I understand that the Senator modified the amendment so that it will start in 1972 and not in 1971, and that the revenue impact would not be felt immediately. That would be helpful, I am sure. Of course, if the Senator wants to have a rollcall vote, he has the right to insist on it.

Mr. DOMINICK. Mr. President, as I understand it, the Goodell amendment has been accepted by the Senator from Connecticut (Mr. RIBICOFF) and myself. Is that correct?

The PRESIDING OFFICER. The situation is that the yeas and nays have been ordered on the Ribicoff amendment and, therefore, it would take unanimous consent to modify the Ribicoff-Dominick amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that that may be so incorporated in the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, I was under the impression that I had so stated that, on behalf of the Senator from Colorado (Mr. DOMINICK) and myself, previously. We have modified our amendment by accepting the amendment offered by the Senator from New York.

The PRESIDING OFFICER. The yeas and nays had been ordered, and it required unanimous consent to so modify.

The amendment has now been so modified by unanimous consent and the yeas and nays have been ordered on the amendment as modified.

Mr. DOMINICK. Mr. President, as has been amply pointed out by the Senator from New York and the Senator from Connecticut, the amendment now before the Senate contains virtually the same provisions which the Senator from Connecticut and I offered earlier this year, and which was cosponsored by almost half the Members of this body.

The present amendment is cosponsored by myself, the Senator from Connecticut (Mr. RIBICOFF), the Senator from New York (Mr. GOODELL), the Senator from Arizona (Mr. GOLDWATER), the Senator from Indiana (Mr. HARTKE), my colleague (Mr. ALLOTT), the Senator from Tennessee (Mr. BAKER), the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from New Jersey (Mr. CASE), the Senator from New Hampshire (Mr. CORTON), the Senator from Nevada (Mr. CANNON), the Senator from Kansas (Mr. DOLE), the Senator from Florida (Mr. GURNEY), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUE), the Senator from Washington (Mr. JACKSON), the Senator from Maryland (Mr. MATHIAS), the Senator from South Dakota (Mr. MCGOVERN), the Senator from California (Mr. MURPHY), the Senator from Oregon (Mr. PACKWOOD), the Senator from Vermont (Mr. PROUTY), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Alaska (Mr. STEVENS), the Senator from Pennsylvania (Mr.

SCOTT), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER), in addition to Senator MCGOVERN and Senator PERCY, whose names have been requested by the Senator from Connecticut to be added as cosponsors.

So we have a substantial number of Senators on both sides of the aisle who are endorsing this particular amendment. As I have said, we had almost 50 percent of the total Members of this body endorsing the first bill that we proposed earlier this year.

The beauty of this particular amendment is that it is an investment in people rather than machinery. I think it is the very best investment we can make for the future of our country; and as proof, all we have to do is look at the GI bill. Over and over and over again, the returns from the GI bill, in terms of revenue that will come back in the future because of the higher earning capacity of those who have had the ability to get additional training and additional education, which they otherwise might not have had, has been of inestimable value as far as this country is concerned. It has produced thousands of teachers, doctors, engineers, scientists, and business and managerial executives that we otherwise would not have had.

In my opinion, this amendment will do even more than the GI bill did, because it allows people freedom of choice.

Three or four lists have been spread around the Chamber by opponents of this concept, and we have a memorandum on every Senator's desk pointing out facts about the amendment, but I think, for the record, it would be worthwhile to point them out again.

Two-thirds of the benefits of this bill would go to families earning less than \$10,000 a year. The provision we have had for reduction of the credit as income increases cuts out a person with an income of \$31,250. So, two-thirds of it goes to those earning \$10,000 or under, and yet it is stated that it is a "rich man's bill." I find this very difficult to absorb or to accept.

Second, the tuition tax credit as such would provide substantial lessening of pressures on existing scholarship funds and would encourage the giving of scholarships by individuals to designated deserving students.

As most of my colleagues know, this cannot be done at the present time. In other words, one cannot say that he likes John Smith down the road and he thinks his son is a deserving young man and would like to pay his tuition and get a tax deduction. That is not allowed under the tax laws either as they exist or under this bill, unless this amendment is adopted.

This proposal would allow someone who is a nonrelative to be able to pay tuition for someone else and get a tax credit, and thereby give more incentive for people to provide the mechanization by which other people can get an education.

Third, the tax credit formula has been very carefully weighted by the Senator from Connecticut, the Senator from Vermont, and myself in favor of the public

and land-grant colleges, the low-cost institutions. This is because we say the first \$200 of tuition, fees and book costs will receive a credit of 100 percent, there will be a credit of 25 percent on the next \$300, but only 5 percent on the next \$1,000 of such costs. Thus, the lower tuition schools get a higher percentage of benefits, but actually get more benefits, because the tax credit amounts to \$252 on the \$400 average costs, as opposed to a total of \$325 that can be received at the higher cost non-public institution.

So the allegation that the private colleges are favored simply is not true. We are doing the reverse, although it also will give benefits to those going to private colleges, which I think is fair.

Fourth, tuition tax credit—which I think is important—allows the taxpayer to use a part of his own gross earnings in order to educate himself or his children.

When we have a national policy that education above the 12th grade should be encouraged and should become a national institution, it seems to me only proper that we should permit taxpayers as such to use a part of their own earnings to further that national policy.

That is why I have been working for a tuition tax credit for some 15 years, long before I even got into public service, and certainly long before I came to the Senate. The Senator from Connecticut and I have been working together on this ever since we came to the Senate in 1963, and I hope will continue until we finally put this point over and put that provision into effect.

Mr. President, I am not going to talk much longer. The college cost burden on people is staggering now. It requires an enormous amount of one's earnings to be able to put into education the amount of money that the institutions ask for in order to provide any kind of scholarship.

The cost of colleges, whether they be junior colleges or universities or vocational schools or business schools, is going up and up and up, along with all other forms of inflation. This measure will give some relief against those increased costs.

Since education is one of the foremost priorities of this Nation for the present and the future, what we should do at this moment is adopt this amendment and recognize that we are giving added incentive—not alternative incentive, but added incentive—so that people can have a better chance to get their children an education above the 12th grade.

Mr. WILLIAMS of Delaware. Mr. President, very reluctantly I have to oppose this amendment. I call the attention of the Senate to the fact that this Christmas tree is already getting loaded down with so many bright balls that I am afraid even the tree itself will collapse.

Since the bill was reported by the Finance Committee the Senate has reduced taxes and passed benefits for which no provision has been made to pay for their cost, a total of approximately \$10 billion so far, over and beyond what was provided by the Finance Committee.

I will enumerate them.

In 1970 the Gore amendment provides for additional tax benefits of \$2.3 billion.

The Hartke amendment cuts revenues further by \$720 million.

The Murphy amendment cuts revenues \$210 million.

The Fannin amendment cuts revenues \$90 million.

Today a social security amendment was adopted for which no financing whatsoever was provided in the original amendment, to become effective before the 1972 elections. But we still have to pay the bills in between. That will increase the cost in 1970 by four and a half billion dollars.

The Byrd amendment adds a cost of \$2 billion.

The Harris amendment adds a cost of \$150 million.

So the benefits that have been provided for thus far amount to a reduced revenue of \$9.995 billion, passed by the Santa Clauses in this Senate without even putting on their suits.

Now this pending amendment would reduce revenue further by \$1.7 billion. I do not doubt that it will be agreed to, and I am not going to delay the vote. But I shall have one final amendment to offer. In fact, I think I shall put it in the form of a unanimous-consent request. I ask unanimous consent that the title of this bill be modified to label it the Christmas Tree Act of 1969.

Mr. DOMINICK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOMINICK. Mr. President, I shall not argue with my good friend from Delaware for long; but I just wish to point out that we have postponed the effective date of this amendment, in recognition of some of the problems of which he speaks, so that there will be no impact in 1970, 1971, or 1972. We will have the benefit of it in 1972, but it will not be deducted from our taxes until our tax returns of 1973. So I think we are looking down the road a considerable distance before the impact will occur.

Mr. WILLIAMS of Delaware. I realize that. I do not expect to be here after 1972; but in 1972 if we have the money to finance this I am sure the Senate will be willing to vote for further benefits. Why vote tax reductions today not to be effective until 3 years later.

It looks a little like a dream world when we vote benefits now for 1972. Why not 1973 and 1974? In fact, people in 1980 are going to want some benefits; why not vote them now so that in the future we will have automatic tax reductions, always to take effect at some time in the future?

I suppose we need a Christmas tree in 1972 just as much as this year. But I do not think we can afford a \$10 billion Christmas tree. I am not even sure that amount will cover the cost of the benefits already voted. As is true so often around Christmas time, gifts are being bought now so that we can pass it out like good Santa Clauses, but we are projecting the price tag for next year and the year after and on, to future generations.

I think it is well to recognize that we do not have the money to finance these tax reductions. We are already operating

this Government at a deficit averaging in excess of \$500 million a month. If we pour this additional pressure on the economy we are simply going to fan further the fires of inflation until we create financial chaos.

I do not question the sincerity of those who support these amendments. I do not think there is anyone in Congress who wants a depression, but I say if anyone in this country wants to see a depression we could not take any surer steps than we are taking now to create one. I think Senators had better stand ready to face the chaos we are creating by voting for these large expenditures.

Mr. LONG. I hope the Senator does not feel that the 15 percent across-the-board increase that Congress would, in any event, have voted within the next several months, or a measure costing at least as much that which the President recommended, or at least as much as the House is recommending will create those problems.

In other words, my experience on these social security measures has been that when the President recommends an increase in benefits, the House of Representatives always votes to go beyond what the President recommends, and the Senate invariably increases it beyond what the House does. The Senator will admit that that is what usually happens, will he not?

Mr. WILLIAMS of Delaware. I will admit that the Senate claims to be the "upper" house, and I would not be surprised if we got that name because we are always "upping" every appropriation that comes before us.

Mr. LONG. I think in fairness that those who have said that the reform in this tax reform package was being whittled away by the Finance Committee ought to take a look at what has happened to the bill since it came to the Senate floor.

Mr. WILLIAMS of Delaware. I agree with that. The Finance Committee, I thought, did a fairly good job of holding to reform measures, but we are losing many of them here. We are losing those provisions that would have produced revenue; they are being eliminated from the bill and are being replaced with provisions which would cost money. We will end up with a bill which will wreck this country if it ever becomes law in its present form. If those who have voted for these amendments have done so with tongue in cheek, as if to say, "Now, you conferees take them out over there," I say that is sheer hypocrisy.

Mr. LONG. Mr. President, the obvious sincerity of the Senator from Delaware makes me feel that it is my duty to try to support his position. The Senator has inspired a return of conscience, and I shall support him in voting against the amendment.

Mr. HANSEN. Mr. President, I take this occasion to express my very deep regret at being unable to support the position of my cherished and distinguished colleague, the Senator from Colorado. I say that because I was a cosponsor, in the 90th Congress, of a similar bill. I think his amendment has great merit, and it certainly is with extreme regret

that I find I cannot support it. The reasons why I cannot support it have already been most eloquently stated by the distinguished Senator from Delaware.

Because this bill has become so overloaded with goodies, I cannot vote to further add to the burdens that will be placed upon what we had hoped at one time might be somewhere near a balanced budget. As a consequence, I must say to my distinguished colleague from Colorado that I am going to have to vote in the negative on his amendment, which I think has great merit.

Mr. COTTON. Mr. President, I am extremely loath to say what I am compelled to say at this time. I am not even in a frame of mind to derive much amusement from the very apt quips and barbs about the Christmas tree.

I have, for 15 years in the Senate and for 8 years previous to that in the House of Representatives, never failed to support measures to relieve needy elderly people. I never expected to see a day when I would vote against a measure that contained such help. Yet today, for the first time in 23 years of service here, I was compelled to vote against the Long amendment, as amended. I had hoped that the Senator from Vermont (Mr. PROUTY) and I could get our amendment adopted, which benefited only those recipients in the very lowest bracket of social security, without increasing social security benefits all the way up the line and placing added burdens on the young men and women who today are striving to support their families, pay for their homes, and raise their children, by having more of their pay taken from them. I could not vote for an increase, that would go to retired bank presidents as well as to those who are trying to get by on a pittance of social security today.

In every session I have been a cosponsor of measures to help people with lower incomes get their sons and daughters through college, and to raise the educational standard in this country. Mr. President, I never expected that the day would come when I would have to renege, if that is the proper word, on my constant support of such measures. But, Mr. President, I do not remember when I have felt as sad and discouraged, during my service in this body, as I do tonight.

I think the bill that came from committee was an excellent one. I believe that the members of the Committee on Finance should be commended for the balanced and careful bill that, in a short space of time, they were able to bring in to the Senate. Undoubtedly it was not perfect in all its provisions; but on the whole, it was a remarkably good tax reform bill.

We have, as the Senator from Delaware phrased it in his inimitable way, loaded the bill down until there is about \$10 billion in it now that will have to be paid. Some of it will not have to be paid this year. Some of it will not have to be paid until 1972. Some of it will not have to be paid until 1973. Who is there in the Senate tonight who has any idea of what the fiscal situation of this country will be in 1973?

I am apprehensive about what our

situation may well be. We are not immune to another recession or even another depression, in spite of all the safeguards that have been put up against those events since the days in 1929 and 1930 which some of us remember so well and with such vividness.

God knows, I want to vote for the amendment. I want to give all the help we can.

I have been sitting with the Senator from Washington (Mr. MAGNUSON) and the other members of the Subcommittee on Health, Education, and Welfare of the Committee on Appropriations day after day after day for the past 3 weeks listening to the educators of this country, listening to the needs of education, listening to the needs for fellowships and scholarships which we are providing.

I recognize that the amendment offered by my friend the distinguished Senator from Colorado (Mr. DOMINICK) is intended to relieve that pressure. Yet, I doubt that it would accomplish that objective. It would simply superimpose more pressure on top of it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. COTTON. I am very glad to yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I appreciate what my colleague, the Senator from New Hampshire, has said. The bill as it came from the committee was a good bill.

I felt that some of the amendments which were offered to it were good amendments. However, I have reached the point now that I do not think I can vote for any more amendments, because I have the feeling that if this Christmas tree is loaded up any more it will kill any tax reform at all.

I may be unduly suspicious, but I know that some of the sections of the bill are not satisfactory to certain segments of our economy or social structure. And I feel now that if we vote to load it up any more, we are voting to kill tax reform. There is no question about it.

Mr. COTTON. Mr. President, I apologize and express my regret to my friend, the Senator from Colorado, whose judgment I so greatly respect. Under ordinary circumstances I would be with him again if the things that happened yesterday and today had not happened.

REMOVAL OF COSPONSORSHIP

Mr. COTTON. Mr. President, I ask unanimous consent, with regret and apologies to the Senator from Colorado, to have my name removed from the list of cosponsors of his amendment. I will be compelled, reluctantly, to vote against it.

I apologize to the Senator for taking this time at this hour in the day. I again say that having found myself in the situation in which I have been compelled to vote two or three times in the past 2 or 3 days against measures that I have fought for over the years and finding myself in this position tonight, I cannot be flip-pant about it. I cannot be humorous about it. I am overwhelmed with sadness. And I have a feeling that the country would be better off if in the end the whole bill were rejected and we were to

start all over again from the beginning and try to build more sanely and carefully on a sounder foundation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. MILLER. Mr. President, I commend the Senator from New Hampshire for speaking so eloquently in the direction in which I think most of us in our hearts really believe.

I cannot help recalling what I think is a parallel situation which occurred several years ago when the former distinguished Vice President Humphrey was the majority whip of the Senate and was the cosponsor of a bill which was very similar to the measure that is now pending in the form of an amendment. I do not think there was any other Senator who was more genuinely interested in education than was then Senator Humphrey. However, because of the action taken by a majority of the Senate in literally strapping the Treasury of the revenue needed to support such a measure, when it finally came before the Senate for a vote, he voted against it, even though he was a cosponsor of the measure. And when asked by the press afterward why he had voted against it, he said that it could not be supported because of the state of our Federal revenue.

I think this is exactly what has happened here. There are some in the Senate Chamber who voted for the Gore amendment. Granted that they were sincere, I think they made a choice as to whether we were going to have tax relief in the amount they voted first or put education second. And they decided to put education second.

The trouble is that we talk about priorities, but we do not put our talk about priorities into deeds.

To me, the proper priority would have been to have put education first and then put the matter of a reasonable tax cut for people second, instead of putting a large tax cut first and letting education take the hindmost. And that is exactly where we are tonight.

Mr. COTTON. Mr. President, I thank the Senator for his observations.

It seems to me this is not a matter of politics. There has been a good deal of talk back and forth across the aisle. This is too serious a matter on which to be partisan. It is a fallacy because of the means we have been pursuing. And I plead guilty on my part for having done things many times in the past in the interest of causes in which I believe.

As this bill came to the Senate there was a provision for low-income allowance and minimal standard deductions. That provision was provided to take care of those at the foot of the economic ladder. But no, we are not content with that. We have to increase the exemption. And when we increase the exemption, it goes all the way to the top.

More than that, a \$100, a \$200, or a \$300 increase in exemption costs the Treasury revenue.

When the bill came before the Senate,

it was not a soak-the-rich bill; it was a bill that attempted to take care of those who needed assistance the most. Now the bill has been changed in many respects—and I know it has been done inadvertently. But if I can analyze it at all, it has now become a bill that actually takes billions of dollars out of the Treasury for the benefit of higher income taxpayers.

If I live until I retire from the Senate, I will be entitled to the minimum amount of social security. I practiced law just long enough so that I could qualify for the minimum.

Why should we give ourselves a hundred dollars a month after we have provided an ample retirement income for every Senator who has served any appreciable time? It just does not make sense.

Mr. President, if the bill passes in its present form—and I see no prospect of it being greatly improved in conference because of the nature of the bill the House passed—I sincerely hope that the President will have the courage to veto it. If he does, here is one vote to sustain his veto.

Mr. DOMINICK. Mr. President, I do not want to let the RECORD stay this way. I have great respect for and have listened with great interest to my distinguished friend the Senator from New Hampshire, and he is a great friend.

I do not see the logic in saying that if the Senate has adopted what we think is a bad amendment, we should therefore reject what we think is a good amendment. This is too bad, because I think it is possible to winnow it out in conference. If one does not like some of the amendments that have been adopted—and I happen to be among them—I do not think that is any reason why he should not vote to adopt what he thinks is a good amendment. I hope the people will remember that.

I am ready to vote.

Mr. PROUTY. Mr. President, as a cosponsor of the Dominick-Ribicoff amendment, I would like to say that I am very pleased to see this measure come before the Senate. It incorporates many of the elements contained in a measure I introduced 2 years ago, as well as a number of features embodied in a previous Dominick-Ribicoff amendment, which I supported.

My feelings remain as strong today as they were 2 years ago that some tax credits are necessary to help meet the costs of college education. We all agree that advanced education is vital. If anything, the need and desire for advanced education is even greater today, and the proliferation of junior colleges, community colleges and advanced technical institutes is testimony to that fact.

When I first introduced the tax credit measure 2 years ago, I tried to make it benefit the middle- and low-income taxpayer. I felt then, that the Dominick-Ribicoff measure, although a good one, was not as beneficial in this area and provided more help than necessary to the upper income taxpayer. Therefore, I am most pleased to point out that the Dominick-Ribicoff measure before us now has incorporated many of the fea-

tures of my bill and thus is more oriented to the middle- and low-income American. In this day of increasing awareness that tax reform must eliminate the inequities that burdened the middle- and low-income taxpayer, I think it is most fitting to note this substantial change.

According to the present Dominick-Ribicoff proposal, the sliding scale for tax credits will allow a deduction of 100 percent on the first \$200. This is the same provision that I offered 2 years ago, whereas the old Dominick-Ribicoff measure allowed only a 75-percent reduction. The present proposal, also, allows a 25-percent reduction on the next \$300 as did the old Dominick-Ribicoff proposal, but returns to the Prouty idea of only 5 percent on the next \$1,000. In essence, this gives more tax benefit to the low-income person by allowing greater reductions on the first \$500 and less on the next \$1,000.

Similar changes have been made on the credit reduction ration that affects the higher-income taxpayer. Whereas, the old Dominick-Ribicoff measure reduced the maximum amount of credit by 1 percent of the taxpayer's adjusted gross income over \$25,000, this measure reduces it by 2 percent as I advocated, but increases the credit reduction base from \$10,000 to \$15,000. By having this maximum credit reduction affect only those earning more than \$15,000, the low- and middle-income taxpayer will benefit. Similarly, the denial of tax credits to those in the upper income brackets has been changed from \$57,500 to \$31,250 which is much closer to the \$24,000 maximum that I advocated.

In summation, then, the present Dominick-Ribicoff amendment gives proportionately less benefit to wealthy taxpayers and a greater benefit to low-income taxpayers who most need assistance. For these reasons, I intend to support this measure and seek the support of my colleagues in doing so.

Mr. TOWER. Mr. President, I strongly support amendment No. 313, to provide for a tax credit for expenses incurred in higher education. As a teacher in Texas, I became familiar with the worries of many families about the expenses of sending their children to college. Today this problem is a matter of even greater concern to parents with children of college age than it was 10 years ago. And the costs of education continue to climb.

This amendment would provide a tax credit to parents for tuition and fees incurred by their dependents attending college. The maximum credit allowance would be \$325 with credit for tuition and fees allowed on this schedule:

First, 100 percent for the first \$200; second, 25 percent of the next \$300; and third, 5 percent of the next \$1,000.

Now, Mr. President, this proposal has been widely discussed in the past and is well understood by Members of the Senate. And, I feel it is unnecessary for me to recount here the needs and requirements of American education in this age.

I remain unconvinced that the massive grant and loan program of aid to education represents the most satisfactory method of dealing with the needs of education. I regard the tax-credit approach as a better approach. And, I also

know that many Senators believe that the tax-credit plan is at least necessary as a supplement to grants and loans.

Therefore, I urge the Senate to act favorably upon this amendment.

As a college teacher in our State, I was closely exposed to the worries of many families about the expenses of higher education. I certainly can say that this is a major problem right now of parents with youngsters in high school.

It is by no means certain that all of our talented high school students will get into college, for the costs of college education borne by American parents can range up to \$4,000 a year these days.

If this amendment is incorporated in the new tax law, Americans will be able to figure up their income taxes, and then subtract from the tax due their costs for college tuition and fees—up to the sliding limits provided.

Under a tax credit, such as is proposed, a taxpayer's money payments for education expenses never would leave his control. His money never would be sent to Washington and then partially sent back to his schools, with lots of Federal strings attached.

Under a tax credit plan his education payments would stay in his pocketbook until applied directly by him in support of higher education.

I am not aware of any other subject upon which there are as many legislative proposals pending as there are for tax credits for education expenses. It would appear that there is substantial support for the idea on both sides of the aisle and in both bodies.

Perhaps the most attractive advantage of the tax-credit approach is that it would completely eliminate the church and state issue because there would be no connection between the Government and the educational institution. The relationship would only be between the Internal Revenue Service and the individual taxpayer.

The tax-credit plan also would eliminate the objections about Federal control of education, because tax credits would leave completely undisturbed the existing relationships in higher education.

Many variations of this plan have been discussed in past years and weeks. If we had a low percentage credit, as, for instance, 20 to 30 percent, with a high limit of, say, \$2,000, then we would benefit institutions with high fees, or private institutions, and those taxpayers in the higher income brackets. If we had close to 100-percent credit with a low limit, we would benefit more directly public institutions and lower income families.

It has appeared obvious that a compromise system is necessary between those two extremes.

What is proposed here is a credit of 100 percent for tuitions and fees up to \$200, 25 percent from \$200 to \$500, and 5 percent from \$500 to \$1,500. That means a maximum net tax credit of \$325.

Such a rate system would amount to an average annual tax saving of around \$750 million a year, of which educational institutions would recover a major portion through increases in tuition and fees. We must remember that the goal of this plan is not only to grant tax relief, but

also to provide a method by which educational institutions may obtain additional revenue.

As an example, if the institutions recovered, say, \$500 million a year, they could use the money to cover finance charges on bond issues of perhaps \$5 billion and still have cash left over with which to augment scholarship and grant funds to needy students.

I have heard it said that some public institutions would not fully benefit since some are not allowed to charge tuition. I suspect that it would be possible for those schools to increase individual course fees so as to benefit. Also, if this program were in operation, States might well revise their laws to allow tuition charges. At any rate, most private and public colleges already charge both tuition and fees.

One continuing objection has been raised against this plan; namely, that it would be of no benefit to families who pay no Federal income tax. It seems to me that there is no validity to that objection.

At the present time virtually all families, in their productive years, pay Federal income tax. Six out of seven fathers of children reaching college age are between the ages of 38 and 58, which are the top earning years. I estimate that at least 90 percent of the families of students in college today do pay Federal income tax. So this plan would benefit directly almost all college students; and—important but often ignored—it would open the way to increased benefits for students in families that do not pay Federal tax.

If a benefit of this type were provided, many of the students of middle-income families, who at the present enjoy scholarships, could then forgo a scholarship, and those scholarships would be concentrated on families who have lower incomes and pay no Federal tax.

Thus, Mr. President, it is obvious that the tax credit for education expenses as provided in this amendment would operate to the benefit of every American who is concerned about the costs of higher education. And the tax-credit plan would administer those widespread benefits without the dangers of bureaucratic control of education and absolutely outside of the issue of separation of church and state.

Mr. President, seldom does the Senate have an opportunity to pass upon a program with such massive benefits and at a time when the granting of such benefits would be of such great assistance to our Nation.

I hope, as a former college educator and for the sake of improved college education in America, that the Senate will accept this amendment.

Mr. GRIFFIN. Mr. President, as far as I am concerned, this is one of the best proposals which has ever been introduced. I have cosponsored similar legislation for a number of years, and I wish very much that I could vote responsibly for the pending amendment.

If it were possible and I could do it, I would trade this for a number of other provisions already in the bill. Unfortunately, we cannot legislate on that basis.

The pending amendment provides more tax relief. It would reduce revenues significantly at a time when we simply cannot reduce revenues further.

I hope the time is not far off when this proposal can be enacted into law.

Mr. HOLLINGS. Mr. President, I strongly support Senator RIBICOFF's amendment. This is a method of income tax reform and relief which is well within our means to achieve. The future of our great Nation rests in the minds and abilities of our youth. In my judgment we cannot refuse to take a partial step toward helping some of the financial problems relating to the achievement of higher education. I believe that this move is an investment in the future and one that we cannot ignore or fail to take advantage of.

TAX RELIEF FOR THE COSTS OF HIGHER EDUCATION

Mr. DODD. Mr. President, I support the pending amendment which would provide a tax credit to offset the expenses of higher education.

I support this amendment wholeheartedly. In fact, I have introduced similar legislation myself a number of times, once as early as 1954, when I was a Member of the House of Representatives. Again, in 1961, I introduced a similar measure in the Senate.

In 1969, however, the need for such a provision has become even more acute.

Those of us with children know that education costs are a grim reality. The prospects are even more alarming, however, when we consider that while the price of a college education has mounted considerably over the past few years, no relief is yet in sight. It appears that tuition hikes and a general increase in other educational expenses are something with which we shall have to live for some time to come.

In light of this situation, I think it is a tribute to the American people that approximately 55 percent of our young people attend college today.

To all but the very wealthy, this represents a substantial sacrifice.

Furthermore, these parents and students who assume the burden of paying for education are serving more than their children and themselves. They are making a tangible contribution to the future of our country, a contribution of inestimable value.

We owe a debt of gratitude to these fine citizens who are struggling to insure our Nation's future welfare. But beyond this, we have a responsibility to help them out as much as we can.

As we have been considering the pressing aspects of tax reform, we have heard a number of compelling arguments for the various groups who need our assistance. We have worked for fairness, and, of course, for financial soundness.

All right then, let us be fair, for there is no group more deserving, or more in need, of relief than the parents of college-bound children.

We cannot make a sounder investment than to help educate those who will lead our country in the days ahead.

I urge passage of this amendment.

Its impact will be immediate, and its benefits will be durable.

Mr. HARTKE. Mr. President, higher education is no longer an intellectual retreat for wealthy young men, but rather a prerequisite for success in our very competitive world. In this age of technology, a secondary school diploma is inadequate for the complex problems that concern contemporary man. Today, young people must bring more than native intelligence and commonsense to their work. They must have minds sharpened by a precise understanding of specialized topics. If this Nation is to maintain its lead in such fields as business, space exploration, and medicine, it must make a greater commitment to those institutions of learning that serve the cause of progress. And it must endeavor to open the doors of those institutions to every deserving student—rich or poor. It seems to me that one condition and one need clearly indicates that only the tuition tax credit would be a general solution to the problem.

Other measures are good and necessary, but they cannot solve the problem. Certain Federal programs will always be necessary to meet special education like those of the disadvantaged, but there will never be enough revenue to meet all educational need. Other measures to turn the resources of the private sector have proven ineffective and cumbersome.

A clear investigation reveals that the tuition tax credit meets the needs of most Americans. The merits of the tuition tax credit are that:

First. Two-thirds of the benefits would go to families earning less than \$10,000 a year. A special provision cuts out the wealthy entirely.

Second. The tuition tax credit would provide substantial lessening of pressures on existing scholarship funds and would encourage the giving of scholarships by individuals to designated deserving students.

Third. The tax credit formula is weighted in favor of the public and land-grant colleges. The credit is based on 100 percent of the first \$200 of tuition fees and book costs; 25 percent of the next \$300, but only 5 percent of the next \$1,000 of such costs. Thus, the lower-tuition schools get a higher percentage of benefits.

Fourth. Tuition tax credit allows the taxpayer to use a part of his own gross earnings to pay for his own education or that of his children. Compared to a full scholarship at the average public university, the tax credit would provide the government education dollars at a 40-percent discount—that is, tax credit would pay only \$252 of the average \$411 cost today.

The increasing facts of education situation reveal the need for the credit.

First. The number of students working toward undergraduate or graduate degrees has tripled in the last 15 years. One of every two citizens between the ages of 18 and 21 is a student.

Seven million students are now in colleges or universities. By 1975 there will be 9 million students, and by 1985 there will be 11 million.

The cost of higher education is increasing rapidly. The following tables demonstrate this increase:

ESTIMATED AVERAGE CHARGES PER FULL-TIME STUDENT

	Tuition and required fees			
	All	University	Other 4 years	2 years
1958-59:				
Public.....	\$191	\$220	\$143	\$75
Nonpublic.....	738	862	667	386
1968-69:				
Public.....	307	411	301	137
Nonpublic.....	1,417	1,673	1,346	1,003
PROJECTED				
1977-78:				
Public.....	367	525	407	169
Nonpublic.....	1,855	2,186	1,805	1,443

Second. The cost of a college education has increased greatly in the past 15 years. Between 1958 and 1968, there was a 34-percent increase in the tuition rates at public institutions of higher education, and a 59-percent increase in the tuition rates at private institutions of higher learning. It is projected that during the next decade there will be another 25-percent increase in the former and a 38-percent increase in the latter.

Third. The financial burdens of college education are becoming greater each year, because families now hope to send all their sons—and even all their daughters—to college. In 1940, college enrollment totaled only 15 percent of the 18- to 21-year-old population. Now it is 49 percent. And at the rate of \$20,000 for the college education of each student, families find higher education their greatest expense.

Fourth. Students from a middle-income background are hardest hit by the lack of Federal funds, because they cannot rely on personal wealth or the Federal scholarships that are often available for indigent students.

Fifth. Because private IHL are especially in need of funds, their tuitions have been rising far more rapidly than public IHL. A result has been an excessive burden placed on public IHL in terms of student population. By the late 1970's, 80 to 90 percent of the student population will have to be in public IHL which are paid for by taxpayers.

Sixth. Present Federal aid is inadequate. Ambitious programs are handicapped by the fact that it often implies that college academic freedom would be compromised by Government patronage.

Seventh. Present Federal funds to IHL are poorly distributed. About 90 percent of Federal funds go to only 5 percent of IHL.

Eighth. Tuition tax credits have won the support of large segments of the public. A nationwide poll in June of 1968 shows that educational tax credits are supported by about 80 percent of the public.

All these facts clearly demonstrate the need for the credit, and I am glad to be one of the sponsors of the investment tax credit.

Mr. DOLE. Mr. President, I rise in support of Senator DOMINICK's amendment, because it provides sound and appropriate relief of the burden of higher education in the United States. Higher education has become a widespread and vital element of our national experi-

ence. Our increasingly complex society continues to demand more and better educated citizens to meet the challenges of today and work toward the goals of tomorrow.

The costs of higher education have risen significantly in recent years, and some form of real relief is appropriate. Higher education should be encouraged, both on the institutional and individual levels. This amendment provides encouragement for individuals, and I am proud to give it my support.

The PRESIDING OFFICER (Mr. MONTAÑA in the chair). The question is on agreeing to the amendment of the Senator from Connecticut, as modified.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENNETT (after having voted in the negative). On this vote, I have a pair with the junior Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "aye". If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Texas (Mr. YARBOROUGH), are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON), is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), and the Senator from Illinois (Mr. SMITH) would each vote "yea."

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 53, nays 32, as follows:

[No. 180 Leg.]

YEAS—53

Allen	Fong	Nelson
Allott	Goodell	Packwood
Baker	Gurney	Pastore
Bayh	Hart	Percy
Bellmon	Hartke	Prouty
Bible	Hatfield	Proxmire
Boggs	Hollings	Randolph
Brooke	Inouye	Ribicoff
Burdick	Jackson	Schweiker
Byrd, Va.	Jordan, N.C.	Scott
Byrd, W. Va.	Magnuson	Spong
Case	Mansfield	Stevens
Dodd	McCarthy	Talmadge
Dole	McGovern	Tower
Dominick	McIntyre	Tydings
Eagleton	Montoya	Williams, N.J.
Ellender	Moss	Young, N. Dak.
Fannin	Murphy	

NAYS—32

Aliken	Harris	Miller
Church	Holland	Mondale
Cooper	Hruska	Muskie
Cotton	Hughes	Pearson
Curtis	Javits	Pell
Eastland	Jordan, Idaho	Saxbe
Ervin	Kennedy	Smith, Maine
Fulbright	Long	Stennis
Gore	McClellan	Williams, Del.
Griffin	McGee	Young, Ohio
Hansen	Metcalfe	

PRESENT AND GIVING A LIVE PAIR,
AS PREVIOUSLY RECORDED—1

Bennett, against.

NOT VOTING—14

Anderson	Gravel	Sparkman
Cannon	Mathias	Symington
Cook	Mundt	Thurmond
Cranston	Russell	Yarborough
Goldwater	Smith, Ill.	

So Mr. RIBICOFF's amendment (No. 313), as modified, was agreed to.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMINICK and Mr. TOWER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the names of the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Oregon (Mr. HATFIELD) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 333

Mr. TYDINGS. Mr. President, I call up amendment No. 333, to H.R. 13270, for myself and Senators EAGLETON, HART, METCALFE, MONDALE, MOSS, and YOUNG of Ohio, which provides for a carryover of basis on unrealized appreciation of assets transferred at death.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. TYDINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 333), ordered to be printed in the RECORD was on page 546, after line 12, insert the following new section:

SEC. 915. BASIS OF PROPERTY ACQUIRED FROM A DECEDENT.

(a) IN GENERAL.—Section 1014 (relating to basis of property acquired from a decedent) is amended:

(1) by redesignating subsections (b) and (c) as (b) and (e), respectively, and

(2) by striking out subsection (a) and inserting the following new subsections:

"(a) IN GENERAL.—Except as otherwise provided in this section, the basis of property in the hands of a person acquiring property from a decedent, if not sold, exchanged, or otherwise disposed of before the decedent's death by such person, shall be:

"(1) In the case of a decedent dying on or before December 31, 1970, the fair market value of the property at the date of the decedent's death, or, in the case of an election under either section 2032 or section 811 (j) of the Internal Revenue Code of 1939 where the decedent died after October 21, 1942, its value at the applicable valuation date prescribed by those sections, or

"(2) In the case of a decedent dying after December 31, 1970, the basis in the hands of the decedent or the person holding such property as of the date of the death of the decedent, increased as provided in subsection (b), except that if such basis (adjusted for the period before the date of the decedent's death as provided in section 1016) is greater than the fair market value of the property at the time of the gift, then for purposes of determining loss the basis shall be the fair market value of the property at the date of the decedent's death, or, in the case of an election under section 2032 its value at the applicable valuation date prescribed by that section. If the facts necessary to determine the basis in the hands of the decedent or another holder are unknown to the recipient of the property, the Secretary or his delegate shall, if possible, obtain such facts from the estate of the decedent or any other cognizant person. If the Secretary or his delegate finds it impossible to obtain such facts, the basis in the hands of the decedent or any other holder shall be the fair market value of such property as found by the Secretary or his delegate as of the date or appropriate date at which, according to the best information that the Secretary or his delegate is able to obtain, such property was acquired by such decedent.

"(b) INCREASED BASIS FOR DEATH TAXES PAID.—

"(1) The basis under subsection (a) (2) for determining gain shall be increased (but not above the fair market value of the property at the time of the decedent's death) by the amount of the tax imposed by section 2001 or section 2101, reduced by all allowable credits, and any estate, inheritance, legacy, or succession taxes paid to any State, to a possession of the United States, to the District of Columbia, or to any foreign country, except that all such taxes on property described in sections 2042 and 691 shall be excluded.

"(2) Subject to the provisions of paragraph (3) the taxes which increase basis under paragraph (1) shall be allocated among the property included in the decedent's taxable estate (exclusive of property described in sections 2042 and 691) in accordance with regulations prescribed by the Secretary or his delegate. Any such taxes which are otherwise allocable to any particular property in the taxable estate but do not increase the basis of such property because of the parenthetical limitation in paragraph (1) shall not be reallocated to any other property in the taxable estate.

"(3) To the extent the decedent provides by will the increase in basis under this subsection which would otherwise be allowable under paragraphs (1) and (2) shall be allocated first to stock which is redeemed under section 303 (relating to distributions in redemption of stock to pay death taxes).

"(c) INSURANCE PROCEEDS.—Notwithstanding subsection (a) (2), the basis of property described in section 2042 and acquired from a decedent shall be the fair market value of such property at the date of the decedent's death, or, in the case of an election under section 2032 its value at the applicable valuation date prescribed by that section."

(b) INFORMATION REQUIREMENT.—

(1) IN GENERAL.—Subpart A of part III of subchapter A of chapter 61 (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039 the following new section:

"SEC. 6039A. INFORMATION REGARDING BASIS OF PROPERTY ACQUIRED FROM A DECEDENT.

"(a) IN GENERAL.—Every executor (as defined in section 2202) shall furnish with respect to the property of the decedent such information as the Secretary or his delegate may prescribe by regulations relating to—

"(1) the name and last address of the decedent;

"(2) the name and address of each person acquiring property from the decedent or to

whom the property passed from the decedent, and a description of each item of such property;

"(3) the adjusted basis (within the meaning of section 1011) of each such item in the hands of the decedent immediately before his death; and

"(4) any other information similar or related in nature to that specified in this paragraph.

If an executor is unable to furnish all of the information required under this paragraph with respect to an item of property, he shall include in his return as much of such information as he is able to, including a description of such item and the name of every person holding a legal or beneficial interest therein, and, upon notice from the Secretary or his delegate, such person shall be treated with respect to such item as if he were an executor for purposes of this section.

"(b) STATEMENTS TO BE FURNISHED TO PERSONS WHO ACQUIRE PROPERTY FROM A DECEDENT.—Every executor who is required to furnish information under subsection (a) shall furnish in writing to each person described in subsection (a) (2) such information with respect to each item of property acquired from the decedent or passing from the decedent to such person as is required under subsection (a) and which the Secretary or his delegate may prescribe by regulations."

(2) PENALTIES.—Subchapter B of chapter 63 (relating to assessable penalties) is amended by adding at the end thereof the following new section:

"SEC. 6686. FAILURE TO FILE INFORMATION WITH RESPECT TO BASIS OF PROPERTY ACQUIRED FROM A DECEDENT

"(a) INFORMATION REQUIRED TO BE FURNISHED TO THE SECRETARY.—Any executor who fails to furnish information required under section 6039A(a) on the date prescribed therefor (determined with regard to any extension of time for filing) shall pay a penalty of 1 percent of the fair market value of the property described in section 6039A(a) (2), or \$5,000, whichever is less, for such failure, unless it is shown that such failure is due to reasonable cause and not to willful neglect.

"(b) INFORMATION REQUIRED TO BE FURNISHED TO BENEFICIARIES.—Any executor who fails to furnish in writing to each person described in section 6039A(a) (2) the information required under section 6039A(b), unless it is shown that such failure is due to reasonable cause and not to willful neglect, shall pay (upon notice and demand by the Secretary or his delegate and in the same manner as tax) \$50 for each such failure, but the total amount imposed for all such failures shall not exceed \$1,000."

(3) DISCHARGE OF EXECUTOR FROM PERSONAL LIABILITY.—Section 2204 (relating to discharge of executor from personal liability) is amended by striking out "notified," where it appears in the second sentence of such section and inserting in lieu thereof "notified or on furnishing of a bond pursuant to section 6165 in circumstances in which the Secretary or his delegate is satisfied that such payment will be made."

Mr. TYDINGS. Mr. President, one of the largest single loopholes or truck holes in our present tax law still exists. The amendment which I offer tonight would when fully effective increase the revenues of the Treasury by between \$2.5 billion and \$3 billion. The amendment failed in the Committee on Finance by a vote of 8 to 4, although the chairman of the committee supported it.

We have been voting on a great many amendments in the last 4 or 5 days which perhaps could be called tax reductions rather than tax reform. This is an op-

portunity for the Senate to be fiscally responsible; to close a major loophole which has been recommended by virtually every tax reform group in the last 10 or 15 years.

It has always been difficult to achieve meaningful reform of our Federal tax system. Only on several occasions since the Federal income tax was initiated in 1913 have circumstances combined to create the public climate and legislative momentum true tax reform requires.

Today we stand at one of those historic moments when reform is possible. If we squander this rare opportunity to restore the equity to our tax system the taxpayers are demanding and deserve, it is difficult to foretell when such propitious circumstances will arise again.

Mr. President, the loophole to which I refer presently permits between \$15 billion and \$20 billion of capital gains to go untaxed each year. This amount goes untaxed because it passes through an estate. Our capital gains law is not consistent with our gift tax law.

Under present law, when an individual sells a capital asset such as stocks or real estate which has increased in value, the appreciation is subject to a capital gains tax based on the difference between the cost of the property and its sale price. However, if the property is held until the original owner dies and it passes through the estate, the cost value is automatically accelerated and takes the value of the property as of the date of death. The heir receives a stepped up value for the purpose of capital gains when he or she finally disposes of the asset. My proposal would require that all capital gains transactions be treated the same regardless of whether they went through the estate, with one exception, if an estate tax were paid, the amount of the estate tax would be added on to the cost basis of the capital asset.

It is a reasonable provision. It is a provision which would yield, when fully effective, between \$2½ billion to \$3 billion a year for the Treasury.

For example, if an individual buys \$200,000 worth of stock and sells it 5 years later for \$300,000, he must pay a capital-gains tax on the \$100,000 in appreciation or increased value.

However, if this stock is held until the owner dies, the \$100,000 in increased value escapes capital-gains taxation completely. The heir receives a tax-free step up in basis; that is, he is only responsible for paying a capital-gains tax on the increase in value realized from the time he inherits the property until the time he sells it.

The result is a tremendous loophole through which escapes an estimated \$2.5 billion a year in potential Federal revenue.

PREVIOUS ATTEMPTS TO PLUG THIS LOOPHOLE

Proponents of tax reform have sought to eliminate this loophole on numerous occasions. In February of 1963, President John F. Kennedy proposed that the law be revised to provide for the income taxation of accrued gains on assets transferred at death. At the same time, the Ways and Means Committee discussed a similar proposal calling for the carryover of a decedent's basis to his heir.

More recently, the U.S. Treasury De-

partment in a document sent to Congress on February 5 of this year entitled, "Tax Reform Studies and Proposals," made the case for closing this loophole again:

Associated with the needed revision of the taxation of transfers of wealth at death or by gift is a much needed revision of the income tax treatment of appreciated property so transferred. Under present law, accumulation of wealth from ordinary income—wages, salaries, dividends, business profits—is subject to the income tax as the wealth is accumulated. Similarly, when a taxpayer sells a capital asset which has appreciated, the gain is subject to income tax.

We call that a capital gains tax.

Continuing reading:

On the other hand, if a taxpayer holds an appreciated asset until he dies, the appreciation is not subject to the income tax.

As a result of this situation, there is obvious and gross inequality in the income tax treatment of people who accumulate their estates by means of untaxed appreciation or value as compared to those who accumulate out of currently taxable income.

In other words, as compared to those who earn their money day after day and week after week.

Continuing reading:

Vast portions of capital gains—\$15 billion a year—fall completely outside the income tax system.

When tax liability is allowed to depend on whether or not an appreciated asset is sold or kept until death, not only is there a serious inequity in the tax law, but particularly in the case of older people, assets become immobilized. Investors become "locked in" by the prospect of avoiding income tax completely if they hold appreciated assets until death rather than selling them. This freezing of investment positions curtails the essential mobility of capital toward areas of enterprise promising the largest rewards.

The Treasury recommends taxation under the income tax, in a manner similar to that of other capital gains, of the appreciation in the value of assets transferred at death or by gift.

Several weeks ago, the distinguished chairman of the Senate Finance Committee—who has done such an extraordinarily able job of handling this incredibly complex piece of tax legislation before us both in committee and on the Senate floor—recommended in committee an approach to closing this capital gains loophole similar to the one embodied in the amendment I offer today.

So the proposal to prevent unrealized appreciation of assets transferred at death from escaping taxation is not a new one. It has a history stretching back to the beginning of this decade. It has undergone the gestation period most proposals must experience before being enacted into law. This being the year of tax reform, I am hopeful that if this is a genuine tax reform bill, we will close the largest single tax truckhole left. This is a loophole larger than the oil depletion allowance loophole, so frequently mentioned. This one is perhaps the largest loophole left in our system and eliminating it would certainly go a long way toward making this tax reform bill fiscally responsible.

HOW THIS AMENDMENT WORKS

Mr. President, the amendment I offer today would bring this \$15 to \$20 billion in capital gains which annually escape taxation back into the tax system by pro-

viding for a carryover of basis on unrealized appreciation of assets transferred at death. This is how it would work.

If an individual bought stock at a cost of \$200,000 and passed it on to an heir at death at a fair market value of \$300,000, the heir would inherit the original basis or cost of \$200,000. He would not have to pay a capital gains tax on the appreciated value at that time. However, when he sold the property, say at a price of \$400,000, he would have to pay a capital gains tax on the full \$200,000 in appreciation since the stock's original purchase—the \$100,000 in increase value accumulated during the decedent's lifetime and the \$100,000 in appreciation realized while the heir held it.

In other words, this amendment would close this loophole by keeping the original cost of an asset as the basis for determining a capital gains tax when the asset is eventually sold, even though the asset passed through an estate.

To put it still another way, when an heir sold appreciated property he would have to pay a capital gains tax on the entire increase in the property's value including that which occurred when the decedent held the property as well as—as is now the case—on the increase in value which occurred while the heir held it.

To avoid the problem of double taxation, the amendment would reduce the amount on which an heir would have to pay a capital gains tax when he sold the property by the amount of estate tax paid on the appreciation when the property was inherited. This would be achieved by increasing the basis carried over at death by the amount of the estate tax paid on the appreciation when the property passed through the estate.

THE AMENDMENT WOULD SOLVE FOUR MAJOR PROBLEMS

Enactment of this amendment would solve four major problems created by the current loophole.

First, it would eliminate an important inequity in our tax system which greatly favors those who have large amounts of accumulated wealth to pass on to the next generation.

Second, it would go far toward curing an undesirable economic side effect produced by the present law which distorts investment decisionmaking. Today, many older investors who would normally sell assets and reinvest the proceeds hold on to them. For they know that at death, neither their estates nor their heirs will ever have to pay the capital gains tax on the appreciated value. Capital which would otherwise be free to flow into sound and productive investments is "locked in."

If this amendment were enacted, the law would be rendered neutral in this matter. There would be no special incentive to hold appreciated property until death. And market forces would be free to operate unencumbered.

Third, this amendment would bring the laws governing the transfer of appreciated property at death into harmony with the gift tax laws. Under present law, if an individual gives a gift of stock worth \$5 million which he purchased 10 years ago for \$1 million, the

basis to the recipient is the donor's original basis, adjusted to reflect any gift tax paid. When the recipient sells the gift, he must pay capital gains tax on the \$4 million in appreciation which occurred while the donor held the stock. But if the original holder dies and leaves this same stock to his heirs through his estate, the same \$4 million in appreciated value is—except for the estate taxes—forever exempted from taxation.

This amendment would eliminate this anomaly in our tax laws.

Fourth, and this is why I believe it is particularly critical that we close this capital gains loophole now, the tax reform package before the Senate promises to run a long-term deficit of at least \$2.5 billion. To begin with, this deficit represents a powerful inflationary force at a time when prices are continuing to spiral upward at a rate of 6 percent a year with no end in sight. To leave the tax package fiscally unbalanced given the present state of the economy is simply irresponsible.

More importantly, enacting a tax bill which grants \$2.5 billion more in tax relief than it takes in through tax reform would constitute a cruel hoax on the American taxpayer. For it looks like he is getting something for nothing.

In fact, the taxpayers of this country will ultimately have to pay for that annual \$2.5 billion deficit in the form of higher prices, reduced public services, or higher taxes. The only way to transform this \$2.5 billion a year into real relief for the average hard-pressed taxpayer is to offset this deficit with an additional \$2.5 billion in revenue raised by tax reform.

The amendment I offer today, when fully effective, will produce an additional \$2.5 billion a year in tax revenue. Thus, by enacting this amendment, Congress can move toward providing the tax bill with the long-term balance fiscal responsibility demands.

WHY WE CANNOT WAIT

Now some have suggested that this amendment should be carried over into the next session so that the Ways and Means Committee can consider it. The committee has expressed an interest in studying this matter.

However, this call for delay overlooks several vital considerations. First, history has repeatedly shown that you have to push for tax reform when the time is ripe. If we are to enact meaningful reform, it will be this year. Next year is an election year, and I fear the momentum we now have will be lost. In short, I am skeptical of any claims that we can enact this amendment as easily next year or the year after as we can today.

Second, this proposal has been before the Congress for 7 years. Both the Finance Committee and the Ways and Means Committee have discussed it. The argument that there has not been sufficient time to consider this proposal is simply inconsistent with the facts.

Finally, I believe we owe the taxpayers of this country the broadest reform of our tax system possible, and I believe we owe it to them now. We cannot wait.

Mr. JAVITS. Mr. President, will the Senator from Maryland yield?

Mr. TYDINGS. I am delighted to yield to the Senator from New York.

Mr. JAVITS. One thing that seems to trouble many people about this tax loophole is the question of privately owned companies, when the owner dies and has a large stock interest in a relatively privately owned company so that there may be great appreciation in it. How does the Senator deal with that problem? There may not be a ready buyer, in many cases.

Mr. TYDINGS. My amendments would not affect the situation which the Senator brings up. There is no capital gains tax owing on that stock until such time as the heir finally sells it. The point the Senator raises would be a problem if the capital gains tax were levied at the time of death. That has been recommended by some economists. However, I did not take that approach. My amendment would provide that there would be no capital gains tax until such time as ultimately the heirs decided to sell the asset.

Mr. JAVITS. Is there any consequence of the Senator's amendment that would bring pressure upon the heir so that he would have to sell because of the nature of taxes which would be due upon death, due to appreciation of the asset?

Mr. TYDINGS. I do not follow the Senator's question.

Mr. WILLIAMS of Delaware. If the Senator would yield to me for a moment on that point, I think that the Senator is slightly in error as I understand his amendment. Our committee did study it, and the Treasury Department did not recommend this unless there were a change in the rates at the same time. I shall tell the Senator why. Just assume for the moment that a man has an estate of \$1 million and he had a \$100,000 cost factor in that estate. The Senator from Maryland says he will pass that cost basis over to the heirs, plus whatever inheritance tax has to be paid and that this will be the new basis when it is sold.

But it has a strange mathematical result, as we shall see in this particular case. The inheritance tax on a \$1 million estate is \$325,700, which he has to pay the Federal Government, and they have got to sell this \$325,700 in order to raise the money to pay their estate taxes. This does not include his State inheritance tax.

The cost basis, on this formula, would be the original \$100,000 plus the \$325,800 tax or about 40 percent. He has to sell a part to pay the estate taxes under existing law. Under the Tydings formula the cost he uses would be about 40 percent and the balance would be subject to capital gains.

In this example he would sell securities or real estate with a market value of \$325,800, and he would use a cost basis of approximately \$140,000, thus owing capital gains on \$185,000. Under the Gore amendment, as it was approved as a part of this same bill, the capital gains could be taxed as high as 37½ percent, or approximately \$65,000 capital gains tax on the securities he had sold to pay his inheritance tax. He would now sell \$65,000 more securities to pay this capital gains tax, but on this lot of securities sold he would owe another capital gains tax, and

he would need to sell some more securities to pay this tax, and so on.

Mr. TYDINGS. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. TYDINGS. I would like to respond to the Senator from Delaware that it is not as complicated as the Senator from Delaware would have us believe.

Mr. WILLIAMS of Delaware. It is not complicated at all.

Mr. TYDINGS. Basically, it would mean that the heir of the decedent of the \$1 million estate, when he sold sufficient stock to pay his estate taxes, would have to pay the same capital gain tax that anybody else would have to pay if he sold his stock during his lifetime. All we are asking is that he be given the same rate on capital gains, and not to be given some treatment which costs the Treasury of the United States between \$2.5 billion and \$3 billion.

Mr. WILLIAMS of Delaware. I agree with that.

Mr. TYDINGS. It is just not that complicated. It is asking the same treatment, basically, that the average workingman gets when he gets his capital gain during his lifetime.

Mr. WILLIAMS of Delaware. He pays the same capital gain, but in this case he must sell the \$325,700, because that is the inheritance tax set under existing law. He sells it to pay the inheritance tax, but immediately he pays the capital gains tax on the appreciation or profit on the \$325,700. Then he sells some more to pay this tax. The committee has been working on this problem. I agree completely that we need a revision of the estate tax laws. I have talked with the Senator from New York on this. But when that is done the rate structure must be adjusted; otherwise he could be taxed until there is confiscation.

We should not mention names, but the name was mentioned prominently of a man who served in the Defense Department, Mr. Packard. His case was cited as an example. It was said he had a net worth of about \$300 million. It was said his basis was on very little cost. Let us assume the cost was zero, which is extreme. The article said he could pass the estate on to his children and grandchildren and when they sold they could use not his original cost but present-day market values. It was claimed that using present-day market values as a cost basis of about \$300 million, with no capital gains tax was a tremendous loophole. What the article did not point out was that if he left the \$300 million even if it had a zero cost, under existing law he would pay the Federal Government \$231 million in estate taxes. If he lived in the State of Delaware—where he should be—he would pay several more million in estate taxes to the State of Delaware. Our present Federal inheritance tax rates run to 77 percent and State inheritance taxes are in addition thereto. Besides, the lawyers know how to get their fat

fees handling these estates, and the Tydings amendment has no provision for including this as a part of the cost basis.

Mr. TYDINGS. Mr. President, I sympathize with Mr. Packard, but I do not think the tax laws of the United States should be set up and continued with a major loophole to benefit those who wish to transfer tremendous estates for the benefit of their heirs. All I ask is the same treatment on capital gains for all citizens.

As the Senator knows, commission after commission and reform group after reform group has recommended—even the Senator from Delaware has recommended—that this loophole be closed. The difference is that the Senator wants estate taxes to be lowered. I appreciate his position on that. We have before us a bill which is supposed to be a tax reform proposal on which Senators have voted innumerable times—as I have—to increase tax benefits and give tax reductions. Here we have a chance to close the largest single loophole in the tax system of our present tax laws, to recoup for the Treasury between \$2.5 billion and \$3 billion, at a time when the President of the United States says we need to do everything possible to tighten our belt. I think we will miss a great opportunity at tax reform if we do not adopt this amendment.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. TYDINGS. I am happy to yield.

Mr. JAVITS. I think the Senator was not following me exactly. I think I get the situation. I asked the Senator whether there was anything implied in his amendment which would put pressure on the inheritor of the stock to sell it. I think the Senator from Delaware has very adequately answered that question.

Would the Senator from Maryland be agreeable, either in his amendment or in the conferees, to seeing that some way is worked out to accommodate those who would be even further jeopardized by a forced sale because of the additional tax burden. I am not in favor of seeing this loophole continued and perhaps you could devise a system where an estate with this type of problem could have additional time in which to solve it.

Mr. TYDINGS. In response to the Senator from New York, I certainly would be agreeable. I think the chairman of the Finance Committee, who certainly is familiar with this problem and also familiar with this amendment, has indicated that the Senator's comment and request are certainly reasonable. As far as I am concerned, if the amendment is adopted, I would hope the conferees would take these facts into consideration.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LONG. If the Senator's amendment is agreed to, the provisions to allow more time would not be in conference, but there would not be trouble in amending the bill while it is still before us to deal with this problem.

Mr. CASE. Mr. President, will the Senator yield to me for clarification?

Mr. TYDINGS. I yield.

Mr. CASE. The real problem, it seems to me, is not the proposal of the Senator from Maryland which causes people to sell property in order to raise taxes. That problem exists now. In the situation which the Senator from New York poses, on estate taxes, it is the inheritor, the fiduciary of the estate who pays the taxes. He has to get it now by selling the property, and the estate consequences take place now. I do not think the Senator would want to add to the enormity of the problems which already exist.

Mr. WILLIAMS of Delaware and Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland has the floor. To whom does he yield?

Mr. TYDINGS. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, it is very important to crystallize the issue, because we are all trying to get to the point. Is not a major part of the argument of the Senator from Delaware that the inheritance tax rates partially reflect that the tax on the capital gains may be avoided, and the Senator from Maryland argues that they do not, that the inheritance tax rates do not discount that capital gains may be avoided and therefore the capital gain should be paid in addition? Is not that the essence of the issue?

Mr. WILLIAMS of Delaware. Not entirely. I have talked with the Senator from New York about this. I point out that Mr. Surrey, who is quoted so much on the other side of the aisle as an authority on reform, agrees with me on this point. When such a change as this is made the rate structure must be changed. If it is not it practically adds up to confiscation. Estate taxes, attorneys' fees, and other costs have to be taken into consideration.

On a gift tax the basis of the donor is carried over, and the gift tax is added to that. That is the new basis, but the man who receives this gift is not confronted with a forced sale. Besides, gift taxes are at lower rates to compensate for the changed formula.

A man with an inheritance tax is confronted with a forced sale to pay the inheritance tax. My friend from Maryland and I have been trying to work this out together and were unable to get a formula in time. A suggestion has been made that we could allow a man to sell without a capital gains tax that portion of the estate which was necessary to pay the inheritance tax.

At first blush, that looked like an answer to it. Then the Treasury Department called to our attention that the man who inherited the estate could manipulate this around and sell that portion which had the largest capital gain, rather than a security with the highest cost basis, for example.

Then there is another point. Suppose a man dies and has a capital loss. I cite the case that came up in the discussion on this bill. It arose when we were discussing tax-exempt bonds. Much of this

discussion arose because there was a lady in the Midwest who had placed her entire fortune of about \$60 million in tax-exempt bonds, which is permissible under today's laws, and she is paying no tax at all. The question was, How should we approach that situation?

The committee bill does not deal with tax-exempt bonds. But just take her case as a hypothetical case: We know that based on present market conditions she has at least a 30-percent loss in her bond portfolio. That is an example where a person has about a \$15 million loss.

Unless we could work that problem out some way the Government would owe her money, because if under the Tydings amendment the Government is going to put them on a capital gains basis we have got to give them credit for capital losses. The man who is dead cannot use this as a carry-forward loss, and we have a built-in capital loss. That is another factor that the Treasury Department said we would have to work out.

The Senator from Maryland has put his finger on something that needs to be dealt with, and the House Ways and Means Committee is working on it. I would be delighted to work with the Senator and others on a formula to use actual cost as a carryover basis, to be meshed in with a new rate structure, not to achieve a tax reduction but simply to establish equity.

I hope the Senator from Maryland will withhold his amendment at the present time, because I could not support it now, though I agree completely with his objective. I think the chairman of the committee would concur that we would promise to put this subject at the top of the agenda of our committee next year and try to come back with some kind of a solution. I am afraid if we were to take the Senator's proposal to conference, working under the severe time limitation that we are, it would just be taken to conference and dropped and that would give it a negative reaction when, at the same time, I think the Senator has put his finger on something that needs to be dealt with. I do not think the amendment as drafted will accomplish the purpose, and it should be withdrawn or defeated.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I think the Senator from Louisiana will agree that we would put this at the top of the agenda next year.

Mr. TYDINGS. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, the Senator is unquestionably talking about the one big, glaring loophole about which absolutely nothing has been done in this bill. If the Senator would modify his amendment to say that if the property in question had not been taxed at all, if zero tax had been paid, you would not get a stepped-up base, it is hard for me to see how anyone could quarrel with that.

Let us say that the father, John, who bought it originally, pays \$1,000 for something, and at his death he leaves

it to his son, Sam. At that point, let us say, it is worth \$50,000.

Sam paid nothing for it, and he inherits it, but \$60,000 is exempt for estate tax purposes, so no tax has been paid.

When son Sam sells it, he then has a \$50,000 base, if he sells it for \$100,000, although nothing was ever paid for it but \$1,000 to begin with. If Father John had never died, when he sold it, he would have had a \$1,000 base, and if it were worth, say, \$100,000, he would pay the capital gain on the \$99,000. Why should the son have a tax advantage over his father, when not a thing has been paid in taxes anywhere along the line? Why should Son Sam receive any better tax treatment than Father John? Neither of them pays 5 cents in taxes on it; why should not that stock, let us say, bear the initial base rather than a stepped-up base, when no tax was paid anyway?

Mr. TYDINGS. Mr. President, let me comment, if I may, on the Senator's question.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Will the Senator from Maryland yield to the Senator from North Carolina for a question?

Mr. TYDINGS. All right, I yield.

Mr. ERVIN. If a man buys a property for \$1,000, and it is worth \$100,000 at the time of his death, he certainly has to pay an estate tax on that property; so the Senator from Louisiana is absolutely in error when he says that neither this man nor his son John have paid anything in taxes on the property.

Mr. LONG. I said assuming it was worth \$50,000 at the time of the father's death, no tax would have been paid, because he had a \$60,000 exemption from estate taxes.

But if that same situation had occurred, and the father had given his son the same property, it would work out just exactly the way the Senator is advocating. He would have a \$1,000 base, plus any tax, if any tax had indeed been paid on it; but if no tax has been paid, all he would have would be the \$1,000 base that the father had when he gave it to the son, and when he, then, proceeded to sell it later for \$100,000, he would be taxed on the \$100,000. If something has passed from one to another without any tax being paid, I cannot see why the full tax should not be paid on that transaction.

Mr. PELL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Rhode Island.

Mr. PELL. Mr. President, at first blush this amendment seems to have great merit. Then, as I read it, I find some troublesome questions.

First, it occurs to me that rather than increasing the mobility of capital, it would decrease it, because the heir will be locked into the property himself. So we would find that the tendency to unload the stock or the asset would be postponed, rather than otherwise.

Mr. TYDINGS. Does the Senator mean he would be locked in because he would have to pay the same capital gains tax as his father, the man who bought

the asset to begin with? Does the Senator consider that being locked in, because you have to pay the normal capital gains tax?

Mr. PELL. He is just as locked in as his father.

Mr. TYDINGS. He is put in a better position than his father was.

Mr. PELL. Well, he is.

Mr. TYDINGS. That is the inequity, and it costs the taxpayers \$2.5 billion a year.

Mr. PELL. I just wanted to point out that the property would be locked in for a longer, not for a shorter period. I would point out further that the tax would be regressive, because the heir of a rich man with an increased tax base will have a smaller capital gains tax to pay when he sells than would the heir of a poor man.

Mr. TYDINGS. No, he would not.

Mr. PELL. Yes, he would. Figure it out.

Mr. TYDINGS. I do not believe it would be correct.

Mr. PELL. The rich man leaves an estate worth a million dollars, and the value of a unit of property in the estate—is the same as that in the estate of a poor man. But because of the greater estate tax paid, the tax base cost for the rich man's heir would be less.

Mr. TYDINGS. Estate taxes are graduated. If you have a small estate, you pay a lower rate than if you have a large estate.

Mr. PELL. All right. But the heir of the rich man's estate would have paid the larger rate, and the difference in value between the acquisition-cost value and the actual value would be less for the rich man than for the poor man.

Mr. TYDINGS. No; the value will depend on the original cost basis.

Mr. PELL. Then this question comes to mind: His total assets are in a house. If his children inherit the house, and his estate pays the estate tax on it, and his children move to California, will they not then be in a position where they will have to pay a confiscatory tax on the house, and not be able to buy a house in California?

Mr. TYDINGS. No. When you sell your residence, under the present capital gains law, if you invest in another residence within a specified period of time, any capital gain is excluded, provided you reinvest it in another home.

Mr. PELL. The Senator is correct, and on that point I am incorrect.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CURTIS. As massive as this bill is—585 pages—it is totally impossible for it to deal with every tax problem that exists. Estate taxes need some attention, but they have to be considered as a package. Estate taxes, gift taxes, and capital gains taxes, as the distinguished Senator from Delaware has pointed out, have to be considered together, and an adjustment of one, without taking into account the others and an appropriate adjustment in rates, will lead to all sorts of problems.

Mr. TYDINGS. Mr. President, I agree with the distinguished Senator from Ne-

braska. But this is not an estate tax that we are talking about. I agree 100 percent with the Senator that an estate tax ought to be considered. However, we are talking about a part of the income tax structure known as capital gains.

Mr. CURTIS. But this is a part of the estate tax because it involves the total tax involved in the transfer of property from one generation to the other.

The American Bar Association Committee on Taxation and, I think, the Law Institute have been doing some work for a long time. It is about ready with its report on the whole area of gift and estate taxes. It is very much in need of reform. However, we cannot take one portion of it without creating more problems than exist now.

I hope the amendment will be rejected.

Mr. TYDINGS. Mr. President, the American people are looking to Congress to enact a tax reform measure. The President of the United States on at least two or three occasions within the last 2 or 3 weeks has urged Congress to report a fiscally responsible tax reform measure which does not result in a deficit cost to the Treasury of the United States.

We do not know what the Ways and Means and Finance Committees conferees will finally come up with. However, certainly if this amendment were agreed to and taken to conference, we would have a far better chance of living up to our responsibility and to the admonition of the President of the United States to report a fiscally responsible tax reform measure than we would if the bill were to go to conference without the amendment.

I concur with the sentiments of the Senator from Delaware that the area of the estate tax, the entire area of bequests, needs to be reconsidered and revised and studied. However, this is the first major income tax reform package we have had a chance to vote on in Congress for many years. And if we pass it by without voting to close this major loophole, I think we will be deficient in our responsibility.

I hope that the Senator from Delaware realizes the need to support the measure and will agree to take it to conference and see if the conferees cannot use it in conference to come back with a fiscally responsible tax measure and not wind up still having the largest single glaring tax loophole for the American people.

Mr. WILLIAMS of Delaware. Mr. President, the Senator has made an eloquent plea for the conferees to bring back a bill that is properly balanced. I wish I could have that confidence in the conferees. I only wish that speech had been made and listened to a little earlier when other votes were being taken.

The Senate has already, by its preceding votes, caused a loss in revenue to the Government of \$10 billion in the fiscal year 1970. This is a result of Senate action compared with the bill reported by the committee.

We are not going to correct that deficiency here. That estimate of \$10 billion does not take into consideration the Ribicoff amendment which would result in an additional \$1.7 billion loss. That loss will not become effective for 2 years.

In 1970 we will lose, to be exact, \$9.950 billion as a result of the action of the Senate in the last few days in passing amendments.

When we talk about fiscal responsibility it sounds very nice, but speeches have very little cash value.

Mr. TYDINGS. Mr. President, the Senator would agree that an additional \$2.5 billion in the Treasury would help.

Mr. WILLIAMS of Delaware. I would agree on that. I wish the Senator could have been more enthusiastic on the other votes.

Mr. TYDINGS. I voted with the Senator on tax depletion.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. TYDINGS. I have voted with the Senator time and again.

Mr. WILLIAMS of Delaware. Mr. President, this may be an area that needs to be dealt with. However, it cannot be dealt with on the Senate floor, nor can it be handled in the conference, with all of the major problems that the conferees have, and get a bill back to the Senate in time to act before the end of the year.

I call attention again to a hypothetical case. Take the case of a man with a \$1 million estate. Say that he has a \$100,000 cost factor. When he dies he owes \$325,700 in estate taxes. They have to sell a part of the estate to raise the money to pay the inheritance taxes.

They take the \$325,700 and add it to the \$100,000 as a new basis of cost. That brings them to \$425,700, or a little more than 40 percent cost that they can carry forward.

When they sell \$325,000 worth of securities to pay the inheritance tax they use a cost factor of about \$150,000 against it, and he has \$175,000 profit, or capital gains.

When the Senate agreed to the Gore amendment it raised the top capital gain rate to 37.5 percent. Under the Tydings amendment the heirs would be forced to sell more property in order to pay the capital gains tax on the property sold to pay the inheritance tax. They would then have to sell more of the estate to raise this extra money, thus creating an obligation for more capital gains tax. They have to sell more in order to pay that. That is near confiscation.

If that is what Senators want to do, then vote for the Tydings amendment.

Mr. President, I am ready to vote.

Mr. TYDINGS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN (when his name was called). On this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the distinguished Senator

from Wisconsin (Mr. NELSON). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. STEVENS (when his name was called). Present.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. MCCARTHY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Wisconsin (Mr. NELSON), the Senator from Georgia (Mr. RUSSELL), the Senator from Alabama (Mr. SPARKMAN), the Senator from Missouri (Mr. SYMINGTON), the Senator from Texas (Mr. YARBOROUGH), and the Senator from Ohio (Mr. YOUNG) are necessarily absent.

I further announce that the Senator from Nevada (Mr. CANNON) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Kentucky (Mr. COOK), the Senator from Maryland (Mr. MATHIAS), the Senator from Illinois (Mr. SMITH), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from North Dakota (Mr. YOUNG) is detained on official business.

If present and voting, the Senator from Illinois (Mr. SMITH) would vote "nay."

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 31, nays 47, as follows:

[No. 181 Leg.]

YEAS—31

Allen	Hart	Mondale
Bayh	Hartke	Moss
Bellmon	Hatfield	Muskie
Burdick	Holland	Pastore
Case	Hollings	Proxmire
Dodd	Hughes	Ribicoff
Eagleton	Javits	Schwelker
Ellender	Long	Spong
Fulbright	McGee	Tydings
Gore	Metcalf	
Harris	Miller	

NAYS—47

Aiken	Ervin	Murphy
Allott	Fannin	Packwood
Baker	Fong	Pearson
Bennett	Goodell	Pell
Bible	Gurney	Percy
Boggs	Hansen	Prouty
Brooke	Hruska	Randolph
Byrd, Va.	Inouye	Saxbe
Byrd, W. Va.	Jackson	Scott
Church	Jordan, N.C.	Smith, Maine
Cooper	Jordan, Idaho	Stennis
Cotton	Kennedy	Talmadge
Curtis	Magnuson	Tower
Dole	McClellan	Williams, N.J.
Dominick	McIntyre	Williams, Del.
Eastland	Montoya	

ANSWERED "PRESENT"—1

Stevens

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Griffin, for.
Mansfield, against.

NOT VOTING—19

Anderson	McCarthy	Symington
Cannon	McGovern	Thurmond
Cook	Mundt	Yarborough
Cranston	Nelson	Young, N. Dak.
Goldwater	Russell	Young, Ohio
Gravel	Smith, Ill.	
Mathias	Sparkman	

So Mr. TYDINGS' amendment was rejected.

Mr. BENNETT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. WILLIAMS of Delaware. I move to lay that motion on the table.

Mr. MANSFIELD. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. Mr. President, the tax reform bill presently before us contains a number of very significant provisions. Most have been thoroughly debated, and therefore the public is very much aware of them.

There is in the bill, however, a little noticed provision of immense importance to hundreds of small businessmen all over America.

I am referring to section 516 of the bill which adds a new section, section 1252, entitled "Transfers of Franchises, Trademarks, and Trade Names," to the Internal Revenue Code. That section clarifies the law with respect to the tax treatment to be accorded some of the payments made by small business franchisees for their franchises. Specifically, the bill explicitly provides that the contingent payments made by a franchisee under existing and future franchise agreements are deductible as ordinary and necessary business expenses. Identical treatment is afforded in the case of trademarks and trade names.

The business phenomenon of franchising has, as we know, given a tremendous boost to the whole area of small business in the United States. Franchising came into prominence only relatively recently, at a time when it appeared that the sole business proprietor, the "little man," had forever lost his opportunity to compete in a marketplace of growing business giants. Efforts to hold open the opportunity for individual Americans with limited capital to enter into businesses of their own deserve our encouragement, and this provision of the tax bill provides that kind of encouragement. It does so very simply—merely by clearing up the thrust of existing law which had been made uncertain by court decisions.

I think the necessity for the clarification of the law is well illustrated by the following example which appears as part of the testimony taken by the Senate Finance Committee in the course of developing this tax reform bill:

THE PROBLEM—AN ILLUSTRATIVE CASE FACTS

Assume that Mr. and Mrs. John Public, a retired but still vigorous couple who have accumulated a sum of money by diligent saving, respond to an advertisement in a financial journal stating that "a food franchising business with good income potential is available for a modest capital investment." They are contacted by the franchisor who shows Mr. and Mrs. Public the standard franchise agreement (which, in fact, is essentially like many existing franchise arrangements) pursuant to which they would be granted the exclusive right to prepare and sell spareribs under the trade name "Super Ribs" in a defined geographical area. Mr. and Mrs. Public's rights would continue as long as they maintained a certain quality stand-

ard and made an annual payment of 25 cents per pound of spareribs sold.

Mr. and Mrs. Public sign the agreement and in 1968 they sell 100,000 pounds of spareribs at \$1.00 per pound. They pay the franchisor \$25,000 and incur additional costs and expenses of \$63,000 in 1968. Accordingly, Mr. and Mrs. Public report \$12,000 (\$100,000 less total costs of operation, \$88,000) on their 1968 return as income from the operation of the franchise business.

Mr. and Mrs. Public's 1968 return as audited and the revenue agent disallows the deduction taken for the \$25,000 franchise payment on the ground that the franchise agreement granted Mr. and Mrs. Public "all substantial rights" to the trade name "Super Ribs" in the specified territory. The agent maintains that such rights represent a capital asset having an indeterminate useful life and that, accordingly, the franchise payment of \$25,000 represents a non-deductible capital outlay.

THE DECISION IN DUNN V. UNITED STATES

In September 1968 the Court of Appeals for the Tenth Circuit in *Dunn v. United States*, 400 F.2d 679, affirming, 259 F. Supp. 828 (D.C. Okla. 1966), a case involving payments of 28 cents per gallon of Dairy Queen mix used by a franchisee, upheld the Internal Revenue Service position. The allowance payments were disallowed as a depreciation deduction with respect to the cost of the asset purchased thereby, viz., the franchise right to market under the Dairy Queen name, solely because the life of the franchise was of an unascertainable length (it could be ended by the franchisee by non-payment of the allowance charges or by a voluntary surrender of the franchise, or by the franchisor upon violation of the terms of the agreement by the franchisee).

THE DISASTROUS ECONOMIC CONSEQUENCES OF THE DUNN DECISION

Let us examine the intolerable economic situation into which Mr. and Mrs. Public have been placed by the *Dunn* decision. Now their taxable income for 1968 has been increased to \$37,000. Twenty-five thousand dollars of this \$37,000 ordinary income represents an "investment" in an asset which has little or no resale value.* The remaining \$12,000 earned by Mr. and Mrs. Public from the operation of their franchise will probably be barely sufficient to cover the income tax due on this alleged \$37,000 income.** If the audit occurs in 1972 the situation is even more drastic since Mr. and Mrs. Public would be faced with having three taxable years in issue with a substantial interest payment to boot. It is not unlikely that this tax situation will force Mr. and Mrs. Public to business will have departed from the U.S. abandon their franchise—and another small scene.

Mr. President, by removing the doubts surrounding the tax treatment of the cost of acquiring a franchise, this tax bill will stimulate the growth of small business in America. Without the new section, the new vitality of American small business would begin to ebb once again. I look forward—and I am certain my colleagues do—to the passage of this bill and enactment of this new section before us into positive law.

*It is difficult to imagine that anyone would be willing to pay the franchise his cost basis for the franchise and, in addition, assume the burden of continuing the production payments to the original franchisor with no tax benefit in the form of a current deduction for any of the payments.

**The increase in state income taxes must also be taken into account.

AMENDMENT NO. 315

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of amendment No. 315.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 189, beginning with line 16, strike out all through line 7, on page 195, insert the following:

SEC. 211. FARM LOSSES.

(a) IN GENERAL.—Part IX of subchapter B of chapter 1 (relating to items not deductible) is amended by adding after section 277 (added by section 121(b)(3) of this Act) the following new section:

"SEC. 278. LIMITATION ON DEDUCTIONS ATTRIBUTABLE TO FARMING.

"(a) GENERAL RULE.—In the case of a taxpayer engaged in the business of farming, the deductions attributable to such business which, but for this section, would be allowable under this chapter for the taxable year shall not exceed the sum of—

"(1) the adjusted farm gross income for the taxable year, and

"(2) the higher of—

"(A) the amount of the special deductions (as defined in subsection (d)(3)) allowable for the taxable year, or

"(B) \$15,000 (\$7,500 in the case of a married individual filing a separate return), reduced by the amount by which the taxpayer's adjusted gross income (taxable income in the case of a corporation) for the taxable year attributable to all sources other than the business of farming (determined before the application of this section) exceeds \$15,000 (\$7,500 in the case of a married individual filing a separate return).

"(b) EXCEPTION FOR TAXPAYERS USING CERTAIN ACCOUNTING RULES.—

"(1) IN GENERAL.—Subsection (a) shall not apply to a taxpayer who has filed a statement, which is effective for the taxable year, that—

"(A) he is using, and will use, a method of accounting in computing taxable income from the business of farming which uses inventories in determining income and deductions for the taxable year, and

"(B) he is charging, and will charge, to capital account all expenditures paid or incurred in the business of farming which are properly chargeable to capital account (including such expenditures which the taxpayer may, under this chapter or regulations prescribed thereunder, otherwise treat or elect to treat as expenditures which are not chargeable to capital account).

"(2) TIME, MANPOWER, AND EFFECT OF STATEMENT.—A statement under paragraph (1) for any taxable year shall be filed within the time prescribed by law (including such taxable year, and shall be made and filed in such manner as the Secretary or his delegate shall prescribe by regulations. Such statement shall be binding on the taxpayer, and be effective, for such taxable year and for all subsequent taxable years and may not be revoked except with the consent of the Secretary or his delegate.

"(3) CHANGE OF METHOD OF ACCOUNTING, ETC.—If, in connection with a statement under paragraph (1), a taxpayer changes his method of accounting in computing taxable income or changes a method of treating expenditures chargeable to capital account, such change shall be treated as having been made with the consent of the Secretary or his delegate and, in the case of a change in method of accounting, shall be treated as a change not initiated by the taxpayer.

"(c) CARRYBACK AND CARRYOVER OF DISALLOWED FARM OPERATING LOSSES.—

"(1) IN GENERAL.—The disallowed farm operating loss for any taxable year (herein-

after referred to as the 'loss year') shall be—

"(A) a disallowed farm operating loss carryback to each of the 3 taxable years preceding the loss year, and

"(B) a disallowed farm operating loss carryover to each of the 5 taxable years following the loss year,

and (subject to the limitations contained in paragraph (2)) shall be allowed as a deduction for such years, under regulations prescribed by the Secretary or his delegate, in a manner consistent with the allowance of the net operating loss deduction under section 172.

"(2) LIMITATIONS.—

"(A) IN GENERAL.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks and carryovers to such taxable year shall not exceed the taxpayers' net farm income for such taxable year.

"(B) CARRYBACKS.—The deduction under paragraph (1) for any taxable year for disallowed farm operating loss carrybacks to such taxable year shall not be allowable to the extent it would increase or produce a net operating loss (as defined in section 172(c)) for such taxable year.

"(3) TREATMENT AS NET OPERATING LOSS CARRYBACK.—Except as provided in regulations prescribed by the Secretary or his delegate, a disallowed farm operating loss carryback shall, for purposes of this title, be treated in the same manner as a net operating loss carryback.

"(d) DEFINITIONS.—For purposes of this section—

"(1) ADJUSTED FARM GROSS INCOME.—The term 'adjusted farm gross income' means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the lower of—

"(A) the amount (if any) by which the recognized gains on sales, exchanges, or involuntary conversions of farm property which, under section 1231(a), are treated as gains from sales or exchanges of capital assets held for more than 6 months exceed the recognized losses on sales, exchanges, or involuntary conversions of farm property which under section 1231(a) are treated as losses from sales or exchanges of capital assets held for more than 6 months, or

"(B) the amount (if any) by which the recognized gains described in section 1231(a) exceed the recognized losses described in such section.

"(2) NET FARM INCOME.—The term 'net farm income' means, with respect to any taxable year, the gross income derived from the business of farming for such taxable year (including recognized gains derived from sales, exchanges, or involuntary conversions of farm property), reduced by the sum of—

"(A) the deductions allowable under this chapter (other than by subsection (c) of this section) for such taxable year which are attributable to such business, and

"(B) in the case of a taxpayer other than a corporation, an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"(3) SPECIAL DEDUCTIONS.—The term 'special deductions' means the deductions allowable under this chapter which are paid or incurred in the business of farming and which are attributable to—

"(A) taxes,

"(B) interest,

"(C) the abandonment or theft of farm property, or losses of farm property arising from fire, storm, or other casualty,

"(D) losses and expenses directly attributable to drought, and

"(E) recognized losses from sales, exchanges, and involuntary conversions of farm property.

"(4) FARM PROPERTY.—The term 'farm property' means property which is used in the business of farming and which is property used in the trade or business within the meaning of paragraph (1), (3), or (4) of section 1231(b) (determined without regard to the period for which held).

"(5) DISALLOWED FARM OPERATING LOSS.—The term 'disallowed farm operating loss' means, with respect to any taxable year, the amount disallowed as deductions under subsection (a) for such taxable year, reduced, in the case of a taxpayer other than a corporation, by an amount equal to 50 percent of the amount described in subparagraph (A) or (B) of paragraph (1), whichever is lower.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) BUSINESS OF FARMING.—A taxpayer shall be treated as engaged in the business of farming for any taxable year if—

"(A) any deduction is allowable under section 162 or 167 for any expense paid or incurred by the taxpayer with respect to farming, or with respect to any farm property held by the taxpayer, or

"(B) any deduction would (but for this paragraph) otherwise be allowable to the taxpayer under section 212 or 167 for any expense paid or incurred with respect to farming, or with respect to property held for the production of income which is used in farming.

For purposes of this paragraph, farming does not include the raising of timber. In the case of a taxpayer who is engaged in the business of farming for any taxable year by reason of subparagraph (B), property held for the production of income which is used in farming shall, for purposes of this chapter, be treated as property used in such business.

"(2) INCOME AND DEDUCTIONS.—The determination of whether any item of income is derived from the business of farming and whether any deduction is attributable to the business of farming shall be made under regulations prescribed by the Secretary or his delegate, but no deduction allowable under section 1202 (relating to deduction for capital gains) shall be attributable to such business.

"(3) CONTROLLED GROUP OF CORPORATIONS.—If two or more corporations which—

"(A) are component members of a controlled group of corporations (as defined in section 1563) on a December 31, and

"(B) have not filed a statement under subsection (b) which is effective for the taxable year which includes such December 31, each have deductions attributable to the business of farming (before the application of subsection (a)) in excess of its gross income derived from such business for its taxable year which includes such December 31, then, in applying subsection (a) for such taxable year, the \$15,000 amount specified in paragraph (2)(B) of such subsection shall be reduced for each such corporation to an amount which bears the same ratio to \$15,000 as the excess of such deductions over such gross income of such corporation bears to the aggregate excess of such deductions over such gross income of all such corporations.

"(4) PARTNERSHIPS.—A business of farming carried on by a partnership shall be treated as carried on by the members of such partnership in proportion to their interest in such partnership. To the extent that income and deduction attributable to a business of farming are treated under the preceding sentence as income and deductions of members of a partnership, such income and deductions shall, for purposes of this chapter, not be taken into account by the partnership.

"(5) TWO OR MORE BUSINESSES.—If a taxpayer is engaged in two or more businesses of farming, such businesses shall be treated as a single business.

"(6) RELATED INTEGRATED BUSINESSES.—If a taxpayer is engaged in the business of farming and is also engaged in one or more businesses which are directly related to his business of farming and are conducted on an integrated basis with his business of farming, the taxpayer may elect to treat all such businesses as a singled business engaged in the business of farming. An election under this paragraph shall be made in such manner, at such time, and subject to such conditions as the Secretary or his delegate may prescribe by regulations.

"(7) SUBCHAPTER S CORPORATIONS AND THEIR SHAREHOLDERS.—

"For special treatment of electing small business corporations which do not file statements under subsection (b) and of the shareholders of such corporations, see section 1380.

"(f) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

(b) SUBCHAPTER S CORPORATIONS.—Subchapter S (relating to election of certain small business corporations as to taxable status) is amended by adding after section 1379 (as added by section 531(a) of this Act) the following new section:

"SEC. 1380. ELECTING SMALL BUSINESS CORPORATIONS ENGAGED IN BUSINESS OF FARMING.

"(a) SEPARATE APPLICATION TO FARMING INCOME AND DEDUCTIONS.—Under regulations prescribed by the Secretary or his delegate, an electing small business corporation which is engaged in the business of farming during its taxable year (other than a corporation which has filed a statement under section 278(b) which is effective for such taxable year), and the shareholders of such corporation, shall apply the provisions of sections 1373 through 1378, separately with respect to—

"(1) income derived from the business of farming by such corporation and deductions attributable to such business, and

"(2) all other income and deductions of such corporation.

In computing the taxable income and undistributed taxable income, or net operating loss, of such corporation with respect to the business of farming, no deduction otherwise allowable under this chapter shall be disallowed to such corporation under section 278.

"(b) SHAREHOLDERS TREATED AN ENGAGED IN BUSINESS OF FARMING, ETC.—For purposes of section 278—

"(1) each shareholder of an electing small business corporation to which subsection (a) applies shall be treated as engaged in the business of farming.

"(2) the undistributed taxable income of such corporation which is included in the gross income of such shareholder under section 1373 and is attributable to income and deductions referred to in subsection (a)(1), and dividends received which are attributable to such income and deductions and are distributed out of earnings and profits of the taxable year as specified in section 316(a)(2), shall be treated as income derived from the business of farming by such shareholder, and

"(3) the deduction allowable (before the application of section 278) to such shareholder under section 1374 as his portion of such corporation's net operating loss attributable to income and deductions referred to in subsection (a)(1) shall be treated as a deduction attributable to the business of farming.

"(c) SPECIAL RULES OF SECTION 298(e) AP-

PLICABLE.—For purposes of this section, the special rules set forth in section 278(e) shall apply."

(c) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of section for part IX of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 278. Limitation on deductions attributable to farming."

(2) Section 172(1) is amended by adding at the end thereof the following new paragraph:

"(3) For limitations on deductions attributable to farming and special treatment of disallowed farm operating losses, see section 278."

(3) Section 381(c) is amended by adding at the end thereof the following new paragraph:

"(24) FARM OPERATION LOSS CARRYOVERS.—The acquiring corporation shall take into account, under regulations prescribed by the Secretary or his delegate, the disallowed farm operating loss carryovers under section 278 of the distributor or transferor corporation."

(4) The table of sections for subchapter S is amended by adding at the end thereof the following new item:

"Sec. 1380. Electing small business corporations engaged in business of farming."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1969, except that for purposes of applying section 278(c) of the Internal Revenue Code of 1954 (as added by subsection (a)) with respect to disallowed farm operating losses of any taxpayer for taxable years beginning after such date—

(1) such amendments shall also apply to the 3 taxable years of such taxpayer preceding the first taxable year beginning after such date, and

(2) in the case of a taxpayer to whom section 1380(b) of such Code (as added by subsection (b)) applies for any of his first 3 taxable years beginning after such date, section 1380 of such Code shall apply with respect to the electing small business corporation of which such taxpayer is a shareholder for the 3 taxable years preceding each such taxable year of such taxpayer, but only with respect to any such preceding taxable year for which the corporation was an electing small business corporation.

Mr. METCALF. Mr. President, I promised to yield to several Members. I say to the majority leader that I intend to make a statement about the amendment tonight, but I hope there will not be a vote on the amendment until sometime tomorrow.

Mr. MANSFIELD. That is correct.

Mr. President, will the Senator yield?

Mr. METCALF. I yield.

ADDITIONAL SUPERGRADE POSITIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 556, S. 2325.

The PRESIDING OFFICER. Without objection, the pending business will be laid aside temporarily.

The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2325) to amend title 5, United States Code, to provide for additional

positions in grades GS-16, GS-17, and GS-18.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment at the top of page 2, insert:

(e) (1) Section 5108(c) of such title is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting "; and" in place thereof, and by inserting the following new paragraph:

"(10) The Secretary of the Smithsonian Institution, subject to the standards and procedures prescribed by this chapter, may place a total of eight positions in the Smithsonian Institution in GS-16, 17, and 18."

(2) Section 5315 is amended by inserting the following new paragraph after paragraph (91):

"(92) Assistant Secretary, Smithsonian Institution."

So as to make the bill read:

S. 2325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5108(a) of title 5, United States Code, is amended by striking out "2,577" and inserting in lieu thereof "2,727".

(b) Section 5108(b)(2) of such title is amended by striking out "28" and inserting in lieu thereof "44".

(c) Section 5108(c)(1) of such title is amended by striking out "64" and inserting in lieu thereof "90".

(d) Section 5108(c)(2) of such title is amended by striking out "110" and inserting in lieu thereof "140".

(e) (1) Section 5108(c) of such title is amended by striking out "and" at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting "; and" in place thereof, and by inserting the following new paragraph:

"(10) The Secretary of the Smithsonian Institution, subject to the standards and procedures prescribed by this chapter, may place a total of eight positions in the Smithsonian Institution in GS-16, 17, and 18."

(2) Section 5315 is amended by inserting the following new paragraph after paragraph (91):

"(92) Assistant Secretary, Smithsonian Institution."

Sec. 2. Section 4 of the Act entitled "An Act to provide certain administrative authorities for the National Security Agency, and for other purposes", approved May 29, 1959, as amended (50 U.S.C. 402, note), is amended to read as follows:

"Sec. 4. The Secretary of Defense (or his designee for the purpose) is authorized to—

"(1) establish in the National Security Agency (A) professional engineering positions primarily concerned with research and development and (B) professional positions in the physical and natural sciences, medicine, and cryptography; and

"(2) fix the respective rates of pay of such positions at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

Officers and employees appointed to positions established under this section shall be in addition to the number of officers and employees appointed to positions under section 2 of this Act who may be paid at rates equal to rates of basic pay contained in grades 16, 17, and 18 of the General Schedule."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. STEVENS. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 1, line 5, strike out "2,727" and insert in lieu thereof "2,772".

On page 3, after line 10, add the following new section:

SEC. 3. Of the additional positions authorized to be placed in GS-16, 17, and 18 by the amendment made by subsection (a) of the first section of this Act, 45 positions shall initially be allocated by the Civil Service Commission to those positions which the Commission determines are identical or substantially identical to positions now classified in GS-16, 17, or 18, but which have not been identically classified because of the numerical limitations contained in section 5108(a) of title 5, United States Code, prior to the date of enactment of this Act.

Mr. STEVENS. Mr. President, I appreciate this opportunity to address the Senate concerning an amendment which is important to civil service employees in regional offices throughout the United States.

Unfortunately, I was in Alaska when S. 2325, a bill to create 150 new civil service supergrade positions, was considered by the Post Office and Civil Service Committee, and the amendment I am now offering was not considered at that time.

My amendment to S. 2325 will correct a major deficiency in the assignment of different salary grades to Federal regional offices having the same responsibilities. Due to a lack of supergrade positions, personnel in field offices are working in similar posts by description and responsibility but are not receiving the same pay scale. The amendment I propose will create 45 additional supergrade positions throughout the United States to eliminate this inequity. These positions will involve only field offices, not the central offices in Washington, D.C.

The administration's representative, the Hon. Robert E. Hampton, Chairman of the U.S. Civil Service Commission, testified in hearings held on July 9, 1969, before the Post Office and Civil Service Committee in support of such an amendment. He stated at that time that there are presently 45 inequities in supergrade-type positions primarily in the field service of Federal agencies that need to be corrected.

The Bureau of the Budget's representative, the Hon. Roger W. Jones, testified in favor of this amendment in hearing held on July 9, 1969.

At this time, then, I offer an amendment to S. 2325 which will eliminate the salary inequities in field office Civil Service positions by creating 45 additional supergrade posts. This amendment will insure comparable pay for comparable duties in the regional offices.

I urge the Senate to give full consideration to this legislation which will affect civil service employees in field offices throughout the United States.

I ask unanimous consent that a copy of this amendment and the statements of Mr. Hampton and Mr. Jones be included in the RECORD immediately following my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT OF MR. ROBERT HAMPTON'S
STATEMENT

The Use of 45 Additional General-Quota Spaces to Overcome Existing Inequities, Primarily in the Field Service

There are now 45 inequities in supergrade-type positions, of which 15 are in the National Labor Relations Board. That agency has 30 Regional Directors whose positions are identical; 15 of these positions are classified in grade GS-16 but, because of the unavailability of spaces, the 15 positions are classified in grade GS-15.

Of the remaining 30 inequitable situations, 22 involve positions in the field services of various agencies. For example, of the 7 Regional Managers of the Defense Contract Audit Agency in the Department of Defense, 5 occupy positions which are classified in grades GS-16; but, for lack of spaces, the positions of the other 2 are classified one grade lower. Eight inequities involved "Headquarters" positions located in a number of agencies.

As I indicated during CSC testimony, we would be pleased if your Committee decides to make an additional allocation of 45 spaces to the general quota, over and above those spaces now proposed in S. 2315, for the purpose of eliminating these inequities. We recommend, however, that the 45 spaces not be legislatively earmarked for the specific positions. If the additional 45 spaces are provided, we will use them to eliminate the inequities set forth above, but we strongly feel that they should be as available for future Government-wide use to meet the changing needs of the Federal service as are the current quota of 2,577 supergrade spaces.

EXCERPT OF MR. ROGER JONES' STATEMENT

Senator STEVENS. Would you tell me one thing, Mr. Jones: Would the Bureau of the Budget have any objection to the final suggestion made by Mr. Hampton concerning the equalization of field positions and additional allocation of supergrades so that the field positions which have the same responsibility would be on the same level?

Mr. JONES. Quite the contrary; the Bureau has believed for some time that the field has been overlooked to some degree in the allocation of supergrade positions for a variety of reasons, most of which run to management doctrine as established by the heads of the departments themselves. Beginning some years ago and continuing with considerable rising action in the last 2 or 3 years and again very much in the forefront of the present administration's plans is a system for assignment of greater responsibilities to the field, the creation of a more logical, more rational, and more integrated field structure for agencies operating in like areas. With this delegation of additional authority for the field, there is an urgent and compelling case for

assignment of more supergrade positions to the field installations.

Senator STEVENS. I would like to add to this bill a specific assignment of supergrades for the field allocations.

Mr. JONES. There would certainly be no objection from the Bureau of the Budget, and I am quite certain none from the Administration to such a move.

Senator STEVENS. My experience when I was downtown was, if we needed a supergrade, it was always easier to get rid of a job out in the field than in Washington. I don't have any other questions unless the staff has any.

Mr. MINTON. No questions.

Senator STEVENS. Thank you very much.

Mr. JONES. Thank you very much, Mr. Chairman; I appreciate the opportunity to appear.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will be seated.

ORDER OF BUSINESS

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

Mr. METCALF. Mr. President, I have yielded to the Senator from Alaska. In yielding, I want it understood that I have not lost my right to the floor.

Mr. MANSFIELD. Yes.

Mr. HANSEN. Mr. President, will the Senator from Montana yield to me?

Mr. METCALF. I am delighted to yield, if I have the floor.

The PRESIDING OFFICER. The Senator from Alaska has the floor under the unanimous-consent request that the tax bill be laid aside. The floor will then revert to the Senator from Montana.

Mr. STEVENS. Mr. President, on that basis, I yield to the Senator from Wyoming.

The PRESIDING OFFICER. Does the Senator withdraw his request for a quorum call?

Mr. STEVENS. Yes.

TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

Mr. HANSEN. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily so that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

Page 427, after line 15, insert the following:

"(11) Works of improvement under the Watershed Protection and Flood Prevention Act.—Property placed in service by the taxpayer to implement a plan of a local organization for works of improvement (within the meaning of section 2 of the Watershed Protection and Flood Prevention Act, 16 U.S.C. sec. 1001 et seq.) shall be treated as pre-termination property, if application for Federal assistance with respect to such works of improvement was made under the Watershed Protection and Flood Prevention Act to the Secretary of Agriculture on or before April 18, 1969."

Mr. HANSEN. Mr. President, my amendment would modify the transition rules applicable to repeal of the 7-percent investment tax credit so as to prevent a taxpayer from being denied the investment credit for property placed in service to carry out plans under the Watershed Protection and Flood Prevention Act in cases where, prior to the April 19, 1969, credit cutoff date, such plans had been developed to the stage required to permit filing before that date with the U.S. Department of Agriculture of the required application for approval of the planned works project.

My amendment, as I indicated, would apply only to property that is placed in service to implement a plan for works of improvement of the kind described in section 2 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.). The works of improvement covered by that act include projects for flood prevention and for irrigation and other agricultural phases of the conservation, development, use and disposal of water.

The importance of such projects in my own State is indicated by the fact that at least 39 of them are now in various stages of progress in Wyoming. The importance of such projects to our Nation as a whole was recognized by Congress many years ago in its enactment in 1954 of the Watershed Protection and Flood Prevention Act. That act provides for cooperation by the U.S. Department of Agriculture and other Federal agencies with the States, with soil or water conservation districts, with flood control districts, and with other local agencies in carrying out projects to further the conservation and utilization of the Nation's land and water resources.

Under the Watershed Protection and Flood Prevention Act, the cooperation and assistance of the Federal Government in the improvement projects covered by it is conditioned, among other things, upon the development by a "local organization"—such as a local irrigation or flood control district—of a detailed and economically sound plan for the projected works of improvement. As further conditions to Federal assistance in such projects, the law requires the local landowners' organization to supply to the satisfaction of the Department of Agriculture the necessary land easements and rights-of-way, to assume responsibility for sharing in the cost of installing the works of improvement, to guarantee that the landowners have acquired all neces-

sary water rights, and to obtain agreements from owners of not less than 50 percent of the land in the drainage area that they will carry out recommended soil conservation measures and proper farm plans.

Once a plan has been developed by a local organization it must be submitted along with an application for assistance to the Department of Agriculture for approval by each of the several different authorities in that and other agencies of the Federal Government that are required under the law to review the project.

The development of such plans and the satisfaction of all the conditions of the law quite obviously can require local landowners to expend a great deal of money and effort and to make heavy commitments in connection with the development of plans for such works of improvement.

Because of this very substantial commitment that is required by the law to be undertaken by the local landowners' organization in connection with plans for works of improvement under the Watershed Protection and Flood Prevention Act, I think it only fair that we take the steps I here propose in my amendment to assure that repeal of the investment tax credit will not result in the credit being denied to a taxpayer for property he places in service to implement such plans. My amendment, like the transition provisions already in the committee reported bill as to other property, would preserve only such investment credits as the taxpayer would have been entitled to but for its repeal, and only for property that is placed in service before the end of the credit phaseout period on December 31, 1978.

Mr. President, my amendment has been reviewed by the staff of the Committee on Finance and I have discussed it with the distinguished chairman of that committee.

I therefore urge, Mr. President, that my amendment be approved by the Senate.

I would like to ask the chairman of the committee if he would be willing to accept the amendment.

Mr. LONG. Mr. President, the amendment applies only in a limited situation. I think it has merit. I have no objection. Does the Senator from Delaware have any objection?

Mr. WILLIAMS of Delaware. No.

Mr. HANSEN. Mr. President, I thank the chairman of the committee.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL SUPERGRADE POSITIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate resume the consideration of Calendar No. 556, S. 2325.

The PRESIDING OFFICER. Without objection, the pending business will be laid aside temporarily.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

Mr. FULBRIGHT. Mr. President, who is going to explain this matter? Is it an amendment or a bill?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska.

Mr. FULBRIGHT. Who is going to explain it?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. McGEE. Mr. President, does the Senator from Alaska yield?

Mr. STEVENS. I am happy to yield.

The PRESIDING OFFICER. Does the Senator from Alaska ask that his two amendments be considered en bloc?

Mr. STEVENS. I do.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I appreciate my colleague from the Committee on Post Office and Civil Service yielding.

The purpose of the bill, which was reported by the committee by unanimous vote, is to increase the number of supergrades at the GS-16, 17, and 18 level as recommended by the last two administrations. This bill as reported is to authorize 150 additional positions at the supergrade level, which are badly needed.

It is my understanding the Senator's amendment would add another 44 positions. Is that correct?

Mr. STEVENS. Forty-five.

Mr. McGEE. Forty-five. The 45 were inadvertently omitted by the committee when we reported the bill. To clear the record, the committee was willing to accept the Senator's amendment, but failed to do so because of oversight. I would move the adoption of the bill with the amendment.

Mr. STEVENS. I thank the Senator.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. FULBRIGHT. I do not know how many supergrades or in what service. Are they in the Post Office? Where are they to be employed?

Mr. McGEE. These are throughout the top levels of the various agencies of the Government not confined to the Post Office Department. Only a portion are in the Post Office.

Mr. STEVENS. I apologize to the Senator from Arkansas. The purpose of my amendment is to add 45 supergrades that were agreed to by the Civil Service Commission and approved by the Bureau of the Budget. The matter was accepted by the committee. I was absent at the time the matter came up in the full commit-

tee. Therefore, by error, it was not included in the bill reported by the committee. The chairman agreed we might bring this to the floor of the Senate and have it accepted.

Mr. FULBRIGHT. I do not understand the facts. How many supergrades would the bill provide and how many does the Senator from Alaska propose?

Mr. STEVENS. The number in the committee bill is 2,727 and the amendment would add 45 to that, making 2,772 as the total number of supergrades that would be permitted after passage of the bill.

Mr. FULBRIGHT. 2,772 supergrades?

Mr. STEVENS. Presently 2,577 supergrades allowed in the Federal Government. My bill would put that up to 2,772. Had my amendment been adopted in committee it was intended to be 45 more than that—2,772.

Mr. FULBRIGHT. How much does the bill cost?

Mr. STEVENS. How much my amendment will cost?

Mr. FULBRIGHT. We have been talking about fiscal responsibility around here. There has been great criticism of what has been done on the other bill. How much would this cost the Federal Government?

Mr. STEVENS. That would be determined by the grades that would be utilized.

Mr. FULBRIGHT. Did not the committee estimate what it would cost? What does the report say, if there is any?

Mr. McGEE. If I may answer that, the committee report had to leave open-ended the level at which the supergrades might be made for administrative purposes namely, supergrades 17 or 18, at a range in the salary bracket of those grades, and that if they were all utilized, the cost would have to be determined by the actual filling of each position so that a firm figure could not be given, in all candor. These rates of pay run from about \$25,000 up to \$33,495, but the cost of filling these positions is relatively little because almost all are by way of promotion of a GS-15 employee already in the Federal service. A GS-15 with some years of service makes almost as much money as a GS-16 or GS-17. The annual difference between a 17 and an 18, for instance, can be as little as \$645. So the relative cost is small. For all 150 positions, I would guess—just a guess—a quarter of a million dollars a year.

Mr. FULBRIGHT. Was there not even an estimate of \$10 million, \$50 million? The Senator has no idea, I take it?

Mr. STEVENS. This is an authorization bill to fill vacancies that would be created by the agencies—

Mr. FULBRIGHT. Just a few days ago the Pentagon "RIFFED." Mr. Fitzgerald in order to cut back on their expenditures. He was in a rather high-grade position. I thought the Government was beginning to try to save money, to balance the budget, and so forth. Why is this necessary?

Mr. McGEE. The Fitzgerald question was not at issue. It was not known at the time of our hearings, and was not con-

sidered at the executive session. This is merely on authorization. This was the only problem that the committee addressed itself to. The authorization was to raise the ceiling on the numbers of supergrades for administrative purposes.

They are shorthanded at these levels. There are 6 million civilian and military people in our whole Government, of whom 2,577 are administrative supergrade personnel.

Mr. FULBRIGHT. I am trying to find out where the supergrades are. How many of them go to AID, or could they be assigned to AID?

Mr. McGEE. It is the judgment of the chairman, if I may continue, Mr. President, that the designation of the administrative personnel is an administrative decision at the executive branch of Government level, that the need for additional personnel was clearly demonstrated and responsibility for those selections remains in executive hands.

Mr. FULBRIGHT. In what area is the need? Were hearings held?

Mr. McGEE. They were.

Mr. FULBRIGHT. In what area is there a need for these supergrade positions?

Mr. McGEE. Hearings were held on the bill. The authorization was the only issue at stake. The ceiling on the existing numbers of supergrades was the point of the controversy. We need more good people in responsible jobs. The last increase was in 1966. We have done much since then to increase the need for supergrades.

Mr. FULBRIGHT. What will be the salaries of these supergrades? How much will they be paid?

Mr. McGEE. The clerk at the desk can report the salaries. They are in grades 16, 17, and 18—whatever the new allocation is in those grades. They are automatic in the pay raise bill that this body passed. They are in the \$25,000 to \$33,000 ranges.

Mr. FULBRIGHT. These new ones are to be appointed by the President?

Mr. McGEE. These are Executive appointments, that is correct.

Mr. FULBRIGHT. If I understood it correctly, there are 45 new ones in the \$30,000 range.

Mr. McGEE. Supergrades above 15.

The PRESIDING OFFICER. Is there any further discussion?

Mr. FULBRIGHT. Well, yes, Mr. President. After the Senator has yielded, I wish to be recognized.

The PRESIDING OFFICER. Does the Senator from Alaska yield the floor?

Mr. McGEE. We have an agreement that I have accepted the Senator's amendment, so that is now a part of the bill.

The PRESIDING OFFICER. The Chair would inform the Senator from Wyoming that the amendment has first to be approved by the Senate.

Mr. McGEE. Does the Senator from Alaska then wish action on his amendment on these 45 supergrade positions?

Mr. STEVENS. Mr. President, I would move adoption of my amendment. I understand that the Senator from Arkansas would prefer to speak on it in his own right; is that correct?

Mr. MANSFIELD. Mr. President, if this is going to be unduly delayed, I am going to have to request that it be laid aside, because I think that my colleague (Mr. METCALF) has been a most patient man. He has been waiting for the past 3 or 4 days to get recognized. I do not intend to let him hold the "sack" any more unless we act on this measure shortly, which I understood would be the case; otherwise I would not have brought it up, because it is not my intention to bring up anything controversial until this tax reform-tax relief bill is out of the way.

Mr. FULBRIGHT. Mr. President, will the Senator from Alaska yield?

Mr. STEVENS. I yield.

Mr. FULBRIGHT. I am not disposed to try to stand in the way of legislation which the committee has voted out unanimously as this one has. But a bill brought up at this late hour, in which there is nothing whatever given as to the cost involved in quite a large number of supergrades should be questioned. Very often we have bills come up for a few supergrades and we argue them at considerable length.

I must confess that I think there is very slight inclination here to inform the Senate as to what we are voting on. There is doubt as to the total cost. Usually, there is at least an estimate as to how much this will add to the budget. Just because this is a new administration and is recommended by this particular Budget Director does not seem to me to relieve the Senate of its duty to have some idea of what it is voting on.

This is a sort of pig in a poke. I think they do not have the slightest idea what this is going to cost, or where the supergrades will be assigned. If they are going to be assigned to the White House that might be one thing, or if they are going to be assigned to an agency such as the Department of Agriculture that would be another thing.

I submit, Mr. President, that this is a very meager record for Senators to come in and ask for an unknown amount of money to be paid out for new employees, particularly when we read recently that they are so strapped for funds they have to let a man like Mr. Fitzgerald go, that they cannot afford to keep a man like Mr. Fitzgerald—I do not know what his salary was, but I suppose it was around \$30,000.

This all seems peculiar to me, I must say; but I am not going to make an objection. If the Senate wants to pass that kind of bill, it is all right with me.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. GRIFFIN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. STEVENS. Mr. President, I move

that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

ORDER FOR RECESS UNTIL 9 O'CLOCK A.M. TOMORROW MORNING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION OF STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that later in the afternoon, on tomorrow, there be a morning hour for the conduct of morning business, with statements in relation thereto to be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REFORM ACT OF 1969

The Senate continued with the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

The PRESIDING OFFICER. The Senator from Montana (Mr. METCALF) has the floor.

Mr. METCALF. Mr. President, I am now going to proceed to discuss some of the facets of my amendment. I hope that Senators who are absent will read the remarks in the Record tomorrow.

The amendment I am submitting has been carefully studied, carefully worded, and refined.

For some years the problem of abuses of the special farm accounting principles has had my consideration. Over this period I have tentatively introduced several bills and consulted with tax experts. Some provisions of my first legislative proposals were the subject of valid objections. But late in the closing days of the 90th Congress, I introduced a revised and refined version of a legislative proposal to correct the abuses of the farm tax accounting system and at the same time preserve for all the legitimate farmer the benefits of these allowances. This bill was circulated among all the farm organizations, sent to a broad list of legislators from farm areas and to tax experts and tax specialists. As a result of composite efforts and many suggestions—on January 22 I introduced S. 500, with 26 cosponsors. Basically that bill is the amendment I am offering today.

I ask unanimous consent that a list of the cosponsors of S. 500 be printed in the Record at this point.

There being no objection, the list was ordered to be printed in the Record, as follows:

LIST OF 26 COSPONSORS OF S. 500
Senators Bayh, Bibre, Brooke, Burdick, Cannon, Church, Eagleton, Harris, Hart, Hartke, Hatfield, Hughes, Inouye, Kennedy,

McCarthy, McGee, McGovern, Mansfield, Mondale, Montoya, Moss, Muskie, Nelson, Saxbe, Yarborough, Young (of Ohio).

Mr. METCALF. Mr. President, on November 25, I introduced amendment No. 315 to the current version of the tax-reform bill. On that date, I called attention to some examples of the type of advertising campaign currently being waged by cattle management firms to interest prospective clients in this particular tax loophole—CONGRESSIONAL RECORD, November 26, pages 35905-35906.

To repeat, the purpose of my amendment is to remove inequities between legitimate farm operators and taxpayers who are in the business of farming mainly because of the tax advantages that serve to put their nonfarm income in a lower tax bracket. The problem is that liberal tax rules designed for the benefit of the ordinary farmer are being abused by people who engage in farming for the purpose of creating artificial losses which can be used to offset substantial amounts of their nonfarm income.

The discussion of this problem in the committee report is an excellent analysis of the seriousness of the tax consequences that result from abuses of the special farm privileges.

Both the Senate Finance Committee and the House Ways and Means Committee recognized the need for correction of abuses. At the present time there are companies that advertise the tax shelter permitted by taking advantage of the special farm allowances and brazenly permit high-income taxpayers to get the benefit of the farm exemptions when the beneficiaries never need to see their cattle or indeed know enough about the cattle business to tell a Hereford from a Holstein.

Ronald A. Buel in the Wall Street Journal, March 19, 1969, quoted a parody of an old cowhand:

I'm a rich cowhand, of the Wall Street brand
And I save on tax, to beat the band
Oh I take big deductions the law allows
And I never even have to see my cows
Yippie--lo-ki-ay!

However, despite good language in the committee report and despite pointing out the need for remedial legislation, the committee's proposal does not deal effectively with the problem.

The language of the committee report is significant.

I ask unanimous consent that the language be printed in the RECORD at this point.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

D. FARM LOSSES

1. Limitation on deductions attributable to farming (sec. 211 of the bill and sec. 278 of the code)

Present law.—Under present law, income or losses from farming may be computed under more liberal accounting rules than those generally applicable in the case of other types of business activities. In general, where a significant factor in a business is the production or sale of merchandise, the taxpayer must use an accrual method of accounting and inventories. The effect of these accounting rules is to postpone the deduction of the costs of the merchandise until the accounting period in which the in-

come from its sale is realized. These rules need not be followed, however, with respect to income or deductions from farming. In other words, a cash accounting method may be used for this purpose under which costs are deducted as incurred. A taxpayer in the business of farming is also allowed to deduct expenditures for developing a business asset which other taxpayers would have to capitalize.

For instance, the expense of raising a breeding herd of livestock may be currently deducted. The same thing is true of expenditures to develop a fruit orchard. There also are certain other capital expenditures in connection with farming operations which a taxpayer may elect to currently deduct from ordinary income. The capital expenditures which qualify for this treatment are soil and water conservation expenditures (sec. 175), fertilizer costs (sec. 180), and land clearing expenditures (sec. 182). Under normal business accounting rules, these expenditures would be added to the basis of the farm property and, thus, would reduce the amount of capital gain realized when the property is sold. However, by allowing these expenses to be currently deducted, they reduce ordinary income rather than capital gain income.

Present law also provides that livestock held for draft, breeding, or dairy purposes for 12 months or more is eligible for capital gains treatment on its sale. Other livestock held for use in a trade or business (such as horses held for the purpose of racing) under rules generally applicable also may be eligible for capital gains treatment upon sale. The same is true of orchards held for the production of fruit crops.

General reasons for change.—The special farm accounting rules were adopted as a means of relieving the ordinary farmer of the bookkeeping chores associated with inventories and an accrual method of accounting. These rules, however, by combining the current deduction of expenses which are capital in nature with capital gains treatment on the sale of livestock or orchards have resulted in a tax abuse which the committee agrees with the House should not be allowed to continue. These rules have allowed some high-income taxpayers who carry on limited farming activities as a sideline to obtain a substantial tax loss (which does not represent an economic loss) which is then deducted from their high-bracket, nonfarm income. These tax losses often arise because of the deduction of capital costs which usually would reduce capital gains on the sale of farm property, but which instead are used to offset ordinary income when incurred.

The significance of this treatment can be illustrated by the example of a taxpayer who sells for \$1,000 a product which cost him \$800 of expenditures to produce. In this case, if the taxpayer can deduct these expenditures against other income, and if he is in the 50-percent bracket, his tax saving is \$400, or if he is in the 70-percent bracket, it is \$560. On the other hand, if his product when sold is eligible for the maximum capital gains tax treatment, his tax is \$250. This means a net reduction in tax for this taxpayer of from \$150 to \$310 (depending on his tax bracket) despite the fact that actually a \$200 gain was realized. In contrast, were the entire \$800 to be treated as the cost basis for the \$1,000 asset, even though the \$200 gain still were taxed at capital gains rates, instead of receiving a tax reduction of from \$150 to \$310 the taxpayer would have an additional tax cost of \$50. In other words, in these two cases there is a spread in tax consequences of from \$200 to \$360, depending on the taxpayer's tax bracket.

Thus, the combination of a current deduction against ordinary income for various farm expenditures which are capital in nature and the capital gains treatment granted on the sale of the asset to which the

expenditures relate produce a significant tax advantage and tax saving for the taxpayer whose ordinary income is taxed in a high bracket.

The utilization of these tax advantages by high-income taxpayers is not merely a theoretical possibility. In recent years, a growing body of investment advisers have advertised that they would arrange a farm investment for wealthy persons. Emphasis is placed on the fact that after-tax dollars may be saved by the use of "tax losses" from farming operations. In addition, numerous partnerships and syndicates have been established for the purpose of allowing wealthy investors to make farm investments so as to obtain these tax advantages.

As a means of dealing with this problem, the House bill provided for the recapture of excess farm losses. Under this approach, if the taxpayer had more than \$50,000 of nonfarm income, his farm losses in excess of \$25,000 would be added to an excess deductions account. (These dollar limitations would only have applied to individual taxpayers.) Gains arising on the sale of farm property would be treated as ordinary income, rather than capital gains, to the extent of the amount in the taxpayer's excess deductions account. This approach to the problem of farm losses is relatively complex and one which would impose significant burdens on persons in the farming business as well as on the Government.

The basic problem which arises in connection with farm losses is that the deductions with respect to property, which gives rise to capital gain income when sold at a subsequent date, are currently deducted from ordinary income. In most cases, the effect of this is to give the deductions twice the value for tax purposes of the income to which they relate. Although the recapture approach of the House bill is one way to deal with this problem, the committee believes that a less complex and more direct approach is desirable. Accordingly, the committee has replaced the House provision providing for the recapture of excess farm losses with a limitation on the deduction of farm losses which has the effect of converting the tax value of farm losses back to the same proportion as the income to which they relate. In general, under the committee's amendments an individual with more than \$50,000 of nonfarm income is to be allowed to deduct a farm loss in full to the extent it does not exceed \$25,000, but is to be allowed to deduct only one-half of the loss in excess of \$25,000. (A taxpayer whose nonfarm income is less than \$50,000 may continue to deduct his losses in full.) These dollar limitations are to apply only to individual taxpayers and not to corporate taxpayers. The amount of the farm loss which cannot currently be deducted may be carried forward indefinitely and deducted in future years from net farm income in those years.

Mr. METCALF. Mr. President, in his testimony before the Senate Finance Committee on the 4th of September, Assistant Secretary of the Treasury Edwin Cohen made the following observation regarding the House-passed bill and I quote:

In its present form, this provision of the bill applies only to individuals with nonfarm adjusted gross income in excess of \$50,000. Taxpayers with nonfarm income over \$50,000 are permitted to exclude the first \$25,000 of their farm losses each year from the operation of the EDA provisions. In practice, this exclusion renders the bill ineffective. (Senate Hearings, Part One, p. 574)

Although the Senate Finance Committee, in my opinion, takes a simpler and more effective approach to a solution of the problem of permitting simplified accounting procedures for legitimate farm-

ers, the present bill is subject to the same criticism Secretary Cohen directed toward the House bill.

The committee version of the bill applies only to individuals with nonfarm adjusted gross income in excess of \$50,000. Just as under the House bill, these same taxpayers would be permitted to exclude the first \$25,000 of artificial farm losses each year from the operation of the provision currently contained in the bill. In addition, these taxpayers could currently deduct one-half of the amount of their artificial farm loss which is in excess of \$25,000 from their nonfarm income.

In other words, assume John Doe has adjusted gross nonfarm income of \$51,000 in a given year and, in addition, has a paper loss from farming in the amount of \$75,000. Under the current version of the bill, he could use \$50,000 of his \$75,000 paper loss from farming as an offset against his nonfarm income in the current year. This would leave Mr. Doe with an adjusted gross taxable income of only \$1,000 that first year. With some advance tax planning perhaps this same taxpayer could have held his nonfarm income down to an even \$50,000. If he had been able to do that then the committee's provision would not apply to him at all, since it only applies to individuals with nonfarm adjusted gross income in excess of \$50,000.

When former Assistant Secretary of the Treasury Stanley S. Surrey testified before the Senate Committee on Finance on September 25, he commented that an appropriate revenue gain in this area would be \$150 to \$200 million. The annual revenue effect of my amendment has been estimated at \$205 million and would affect in the neighborhood of 14,000 tax returns. Mr. Surrey concluded his testimony in the farm area by specifically recommending adoption of my amendment. I should point out that the anticipated revenue effect of the farm loss provision contained in the committee's bill has been estimated at about \$15 million a year and would affect in the neighborhood of 3,000 returns, a far cry from the figures available on my amendment.

On February 5 of this year, the House Ways and Means Committee published a study of needed areas for tax reform conducted by the Treasury Department during the last 2 years of the Johnson administration. In discussing the effect that nonfarmers have on the farm economy, the study pointed out that:

When a taxpayer purchases and operates a farm for its tax benefits, the transaction leads to a distortion of the farm economy. The tax benefits allow an individual to operate a farm at an economic breakeven or even a loss and still realize an overall profit. For example, for a top-bracket taxpayer, where a deduction is associated with eventual capital gains income, each dollar of deduction means an immediate tax savings of 70 cents to be offset in the future by only 25 cents of tax. This cannot help but result in a distortion of the farm economy, and is harmful to the ordinary farmer who depends on his farm to produce the income needed to support him and his family.

This distortion may be evidenced in a variety of ways: For one, the attractive tax benefits available to wealthy persons have caused

them to bid up the price of farmland beyond the price which would prevail in a normal farm economy above the productive capacity of the land, and, therefore, is harmful to the ordinary farmer who must compete in the marketplace with these high-income tax farmers who may consider a farm profit—in the economic sense—unnecessary for their purposes.

My amendment would eliminate these distortions by limiting to \$15,000 or to the amount of the "special deductions" listed in my amendment, whichever is higher, the amount by which a paper farm loss may offset a taxpayer's nonfarm income. The \$15,000 figure is reinforced by the following observation contained in Treasury's 2-year study and I quote:

If a taxpayer has more than \$15,000 of nonfarm income, his primary source of livelihood is not likely to be his farming efforts, and thus, he is not the type of farmer for whom the special accounting rules were devised.

Generally, a farm loss would be the amount by which farm deductions exceed farm income in any given year. For this purpose, as the 1968 Treasury report suggested, the untaxed one-half of long-term capital gains attributable to farm property would not be included in farm income. Farm deductions would include all deductions that are attributable to the business of farming. If the taxpayer's nonfarm income is in excess of \$15,000 in any given year, the limit on his deductible loss in that year would be reduced by \$1 for each dollar of such excess. However, economic losses are protected by providing that the \$15,000 loss limitation will be raised to the amount of the taxpayer's special deductions if that amount is higher than \$15,000.

Mr. President, for 1967 there were in excess of 770,000 taxable individual income tax returns filed which reported a net loss from farming. My amendment would affect 14,000 returns or in other words slightly less than 2 percent of those returns. This points up the fact that distortions now present in the farm economy are being caused by a small but affluent segment of our population that is taking unfair advantage of farm accounting rules designed to ease the bookkeeping chores of legitimate farmers. The relative few who are now taking unfair advantage of these rules have succeeded in clouding the issue by suggesting that my amendment would force farmers to change their method of accounting.

Nothing could be further from the truth. As a matter of fact, it has been the legitimate farmers and ranchers of our great Nation that have been urging this legislation upon us for as long as I can remember. Such organizations as the following support the principle of the approach I am suggesting today: National Farmers Union, American Farm Bureau Federation, National Grange, National Farmers Organization, National Council of Farmers Cooperatives, National Association of Wheat Growers, Cooperative League of the United States of America, National Association of Farmer Elected Committeemen, Farmland Industries, Midcontinent Farmers Association, National Catholic Rural Life Conference, AFL-CIO, and UAW.

Opponents testifying against this ap-

proach were: National Livestock Tax Committee, American National Cattle-men's Association, Oppenheimer Industries, American Hereford Association.

I find it interesting that those who oppose my bill have never once asked to sit down and discuss specific provisions or suggest an alternative solution that would provide a comparable inroad to this problem area. I find it even more revealing, however, when reading the annual report of Oppenheimer Industries, to learn that this particular cattle management firm, which specialized in advertising the advantages of this particular tax gimmick, admits to working hand in glove with such organizations as the National Livestock Tax Committee to retain, and I quote:

The tax incentives encouraging urban risk capital to invest in American Agriculture.

The vote on this amendment will determine whether we will be satisfied to have merely acknowledged the existence of the problem or whether, instead, we will seize upon this opportunity to combine tax equity with tax reform. There has been a lot said about the longrun revenue loss that would result from the sum total of all the provisions in the bill. Here is an opportunity to scale down that revenue loss by at least \$190 million a year.

I say "at least" because revenue estimates are only available for individual income tax returns. I would imagine that if it were possible to obtain similar figures for corporations, the gap between my amendment and the present provision now contained in the bill would widen even further.

Mr. President, the amendment I have offered, No. 315, is substantially S. 500, the bill I originally introduced on January 22. I have not corresponded or been in communication with the 26 cosponsors who sponsored S. 500 back in January. Most of them, however, have told me that they are still supporting the legislation. However, the Senator from Indiana (Mr. BAYH) especially asked me to have his name included as a cosponsor of amendment No. 315, which I ask unanimous consent to do.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, in conclusion, the amendment would eliminate distortions in farm losses. It would take away abuses in farm accounting principles.

I strongly suggest that my amendment be approved and urge its adoption.

I yield the floor.

Mr. BAYH. Mr. President, as one of the cosponsors of the original Metcalf amendment, I want to commend my distinguished colleague from Montana for his leadership in this effort to plug one of the most glaring "loopholes" in our tax law. It was the Senator from Montana who first brought to the public's attention the widespread tax dodging by wealthy nonfarmers seeking "loopholes" to offset high-bracket taxable income.

As Senators know, income or losses from farming can be computed under more liberal rules of accounting than for

other businesses where the production or sale of merchandise is involved. In general, these businesses are required to use the accrual method of accounting so that income can be accurately reflected in any given year—and this requires that costs be deducted in the same accounting period in which income from the sale is realized.

For reasons of simplicity and because of the particular nature of farming, farmers have been exempted from the general rule and are permitted to use the cash accounting method, deducting expenditures in the year incurred and ignoring yearend inventories. No one denies that this is a departure from sound accounting procedure, but it is necessary in order to spare the farmer from the massive bookkeeping chores involved in the accrual method.

In addition, farmers are permitted to use another liberal accounting rule. In contrast to most businesses, where the cost of developing an asset is regarded as a capital expenditure not deductible as incurred, farmers are permitted to deduct certain capital costs as they are incurred.

The problem is not with farmers using these liberalized rules because they were intended for that purpose. But a serious problem does arise when high bracket taxpayers deliberately engage in farming to create "paper losses." This not only produces economic distortions in the farm sector, but results in a loophole through which millions of dollars flow back annually to these wealthy nonfarmers save millions of dollars annually.

The most serious distortion, of course, is the fact that in the marketplace ordinary farmers who depend upon their operations to produce income are forced into competition with gentlemen farmers who deliberately operate at the break-even point or even at a loss. In addition, as the exploitation of the tax loss loophole has become more widespread, the price of farmland is being bid up to a point far beyond its ability to actually produce earned income. The result is that true farm operations are foreclosed from expanding because of exorbitant and unrealistic land costs.

The revenue loss to the U.S. Treasury—and the gain to the handful of those wealthy individuals in the 70-percent-plus tax brackets—is clear in the case of a claimed deduction related to future capital gains income. In this case, each \$1 of deduction represents an immediate tax savings of 75 cents—to be offset at the time of the sale of the asset by only 25 cents in tax.

Mr. President, the "tax loss" loophole is fact, not fancy. The best evidence of its existence is the amazing statistic that as adjusted gross income increase, so do farm losses. For example, returns with adjusted gross income from \$50,000 to \$100,000 showed net farm profits of \$68 million and net losses of \$67 million—a ratio of profits to losses of about 1 to 1. In the adjusted gross income bracket from \$100,000 to \$1 million, the ratio of losses to profits was 3 to 1. Is it possible that these wealthy nonfarmers are losing money on their farm operations because of poor management and lack of knowl-

edge? Hardly. All one needs to do to understand the attraction to farming is to pick up the Wall Street Journal. There one can find some valuable investment advice explaining how wealthy individuals can save after-tax dollars through showing tax losses on farm operations while actually creating a valuable asset and offsetting taxable earned income with these paper losses.

The correct way to plug this loophole—and raise \$205 million in needed revenue—is the method proposed in amendment No. 315: to deny wealthy nonfarmers the use of these "paper losses" as current deductions against earned non-farm income above \$15,000.

Mr. MILLER. Mr. President, I had arranged with the chairman of the Finance Committee to enable me to present a noncontroversial amendment to the bill. Therefore, I send to the desk an amendment and ask unanimous consent that the pending amendment by the Senator from Montana be temporarily laid aside so that we can consider the amendment which I am offering.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

Mr. MILLER. I ask that my amendment be stated.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 125, line 23, insert after the word "order" the phrase "or by a state"; and at the end of line 24 add the following: "(except in the case of a state educational institution)".

Mr. MILLER. Mr. President, the Finance Committee adopted a provision on page 125 of the pending bill in which we made clear that a television or radio station owned by an educational institution maintained by a religious order would not be subject to the unrelated business tax covered by the bill, under certain restrictive and specified conditions.

At the time we adopted this provision, it was not known that a television station is owned by one of my State's educational institutions. The purpose of this amendment is to make it clear that not only will this provision apply in the case of educational institutions maintained by a religious order, but also educational institutions maintained by a State.

I have discussed this amendment with my colleague from Louisiana (Mr. LONG) and also with my Republican colleague the Senator from Delaware (Mr. WILLIAMS), and I understand there is no objection to this technical amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Montana (Mr. METCALF), which is the pending business.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the

Senate now proceed to transact routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of the Interior for "Resources management," Bureau of Indian Affairs, for the fiscal year 1970, had been apportioned on a basis which indicates a need for a supplemental estimate of appropriation; to the Committee on Appropriations.

REPORT OF FLYING PAY, U.S. AIR FORCE

A letter from the Secretary, Department of the Air Force, transmitting, pursuant to law, a report on flying pay, for the Air Force, as of October 31, 1969 (with an accompanying report); to the Committee on Armed Services.

PROPOSED LEGISLATION IMPLEMENTING THE CONVENTION ON THE RECOGNITION AND ENFORCEMENT OF FOREIGN ARBITRAL AWARDS

A letter from the Acting Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to implement the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (with an accompanying paper); to the Committee on Foreign Relations.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the need to strengthen procedures for managing certain delinquent borrower accounts, Farmers Home Administration, Department of Agriculture, dated December 4, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting pursuant to law a report on the effectiveness and administration of the Community Action Program under title II of the Economic Opportunity Act of 1964, Chicago, Ill., Office of Economic Opportunity, dated December 4, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on opportunities to improve the management of private research centers supported by the National Institutes of Health, Department of Health, Education, and Welfare, dated December 5, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report of observations on AID's administration of the excess property program in Kenya and Pakistan, Agency for International Development, Department of State, dated December 5, 1969 (with an accompanying report); to the Committee on Government Operations.

PROPOSED MENTAL RETARDATION SERVICES AMENDMENTS OF 1969

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Mental Retardation Facilities Construction Act to extend and improve the provisions thereof, and for other purposes (with an

accompanying paper); to the Committee on Labor and Public Welfare.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest and requesting action looking to their disposition (with accompanying papers); to the Joint Committee on Disposition of Executive Papers.

The ACTING PRESIDENT pro tempore appointed Mr. McGEE and Mr. FONG members of the committee on the part of the Senate.

AIRPORT AND AIRWAYS DEVELOPMENT ACT OF 1969—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91-565)

Mr. MAGNUSON, Mr. President, I ask unanimous consent to file with an amendment and individual views the report of the Senate Committee on Commerce on S. 3108, the Airport and Airways Development Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON, Mr. President, I have just filed the report of the Commerce Committee which accompanies S. 3108. S. 3108 is the Airport and Airways Development Act of 1969, and it is reported following a year-long study by the Aviation Subcommittee and the Senate Commerce Committee.

While S. 3108 contains provisions for airport and airways development, it does not contain provisions which provide the necessary user taxes with which the program is to be financed. The Commerce Committee does not have jurisdiction to report such tax legislation and therefore before the Senate considers S. 3108, it must be re-referred to the Senate Committee on Finance for its consideration and action in including tax provisions in this bill. While the Committee on Commerce does not have the authority to report tax legislation, the committee did hear extensive testimony regarding the appropriate level and type of user charges needed to support this legislation and studied the issue very carefully. In the report, the Commerce Committee recommends to the Finance Committee a schedule of user charges which we feel equitable and appropriate and urge the Finance Committee to give these recommendations careful consideration before attaching tax provisions to S. 3108.

I am well aware, as are my colleagues, of the tremendously busy calendar of the Senate Committee on Finance headed by the able Senator from Louisiana. The distinguished chairman has done an admirable job on one of the most difficult tasks before the Senate, guiding the important and complex tax reform package through his committee and to the floor of the Senate where it is now being debated. The schedule of the Finance Committee has been long and arduous and I think the Senate owes its gratitude to Senator Long for a job he and his committee have done.

While I feel that passage of this avia-

tion program this year is very important, I recognize that with the present burden on the Finance Committee it may not be able to take this issue up immediately. I know, however, that Senator Long will give it careful consideration as soon as the committee's schedule permits.

I therefore ask unanimous consent that S. 3108 and the report accompanying it be referred to the Finance Committee for consideration and further action.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC HEALTH CIGARETTE SMOKING ACT OF 1969 REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 91-566)

Mr. MAGNUSON, Mr. President, I ask unanimous consent to file with amendments and individual views the report of the Senate Committee on Commerce on H.R. 6543, the Public Health Cigarette Smoking Act of 1969.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF COMMITTEE ON COMMERCE ON THE BILL H.R. 14465

Mr. MAGNUSON, Mr. President, for the information of my colleagues, in addition to S. 3108, I am also filing H.R. 14465 without amendments and without a written report. I have done this to place this bill on the Senate Calendar where it will remain until the Senate completes action on S. 3108. At such time as action is completed then, the language of S. 3108 will be attached to H.R. 14465 in order that we will then be able to go to conference with the House.

The PRESIDING OFFICER. The bill will be placed on the calendar, as requested by the Senator from Washington.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. YARBOROUGH, from the Committee on Labor and Public Welfare, with an amendment:

S. Res. 279. Resolution authorizing expenditures by the Select Committee on Nutrition and Human Needs for an additional period to study the food, medical, and other related basic needs among the people of the United States; referred to the Committee on Rules and Administration.

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 2619. A bill to amend section 5723(b) of title 5, United States Code, relating to length of service required by teachers in Bureau of Indian Affairs schools when travel and transportation expenses are paid to first post of duty (Rept. No. 91-567).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 12785. An act to declare that the United States holds in trust for the Southern Ute Tribe approximately 214.37 acres of land (Rept. No. 91-568).

By Mr. HATFIELD, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 9477. An act to provide for the dis-

position of judgment funds of the Confederated Tribes of the Umatilla Indian Reservation (Rept. No. 91-569).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 2940. A bill to amend the Act of June 28, 1948, as amended, relating to the acquisition of property for the Independence National Historical Park (Rept. No. 91-571); and

H.R. 13767. An act to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes (Rept. No. 91-570).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 9163. An act to authorize the disposal of certain real property in the Chickamauga and Chattanooga National Military Park, Ga., under the Federal Property and Administrative Service Act of 1949 (Rept. No. 91-572).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

H.R. 210. An act to eliminate requirements for disclosure of construction details on passenger vessels meeting prescribed safety standards, and for other purposes (Rept. No. 91-573).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GURNEY:

S. 3208. A bill for the relief of Clara Luisa Meyer y Canton Solaun; and

S. 3209. A bill for the relief of Lt. Col. Edwin B. Owens, U.S. Air Force; to the Committee on the Judiciary.

By Mr. FONG:

S. 3210. A bill to amend section 8340 of title 5, United States Code, to provide a 5-percent increase in certain annuities; to the Committee on Post Office and Civil Service.

S. 3211. A bill for the relief of Apolinario Lauro Cablay; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 3212. A bill for the relief of Curtis Nolan Reed; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 3213. A bill for the relief of Michael Davis; and

S. 3214. A bill for the relief of George Hector; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mr. JAVITS, Mr. NELSON, Mr. MURPHY, and Mr. CRANSTON):

S. 3215. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965 to provide for a permanent authorization for programs under such act; to the Committee on Labor and Public Welfare.

(The remarks of Mr. PELL, when he introduced the bill, appear later in the RECORD under the appropriate heading.)

By Mr. KENNEDY (for himself, Mr. MANSFIELD, Mr. YOUNG of Ohio, Mr. MONDALE, Mr. JAVITS, Mr. BROOKE, Mr. PELL, Mr. MOSS, Mr. YARBOROUGH, Mr. HART, Mr. GRAVEL, Mr. MCCARTHY, Mr. TYDINGS, Mr. CASE, Mr. DODD, Mr. INOUYE, Mr. GOODELL, Mr. NELSON, Mr. ANDERSON, and Mr. EAGLETON):

S. 3216. A bill to encourage cities and communities to develop intensive local programs to eliminate the health hazards of lead-based paint poisoning; to the Committee on Labor and Public Welfare.

By Mr. FULBRIGHT:

S. 3217. A bill to require the Secretary of Defense to submit regular reports to the Committees on Armed Services of the House of Representatives and the Senate with respect to the kinds and amounts of information released for distribution to the public

by the Department of Defense and the military departments thereof; to the Committee on Armed Services.

(The remarks of Mr. FULBRIGHT, when he introduced the bill, appear earlier in the RECORD under the appropriate heading.)

S. 3215—INTRODUCTION OF A BILL PROVIDING FOR PERMANENT AUTHORIZATION FOR PROGRAMS UNDER THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES ACT OF 1965

Mr. PELL. Mr. President, I introduce for appropriate referral a bill to amend the National Foundation on the Arts and Humanities Act of 1965 to provide for a permanent authorization for programs under such act.

In 1965, when the National Endowment for the Arts and Humanities Act was first established, there was some misgiving about the need for and wisdom of placing a program of support of esthetic endeavor under the aegis of the Federal Government and, specifically, one Federal appointee who could wield much power. At this time I think it needless to go into a long litany as to the accomplishments of the National Endowment for the Humanities, under the chairmanship of Barnaby Keeney, and the National Endowment for the Arts, under the past chairmanship of Roger Stevens and the present chairmanship of Nancy Hanks. Suffice it to say, the intents of the original bill have been attained. Both endowments have recognized the goals to which they would orient their programs and, through a series of grants, aided and supported artists and institutions, to further the reason for the bill when it was enacted by the Congress.

During our hearings 2 years ago on the extension of the original act, it was clear that, not only was the program a success, but that the support for it was widespread. One simple illustration will bear this out: Before enactment of this program, only three States had State arts councils. At the present time, all the States and territories, except American Samoa, have organizations whose sole function is support of cultural activities.

The time for experiment, trial and error has passed. The endowments have proved themselves capable of enhancing the esthetic values and environment of our Nation.

The authorization for the Arts and Humanities Endowment Act will expire next June. At this time I am introducing a simple bill which will give to the foundation a permanent authorization. Such permanence will indicate to the cultural institutions in our Nation that there is in the Congress a long-term commitment for support and development of cultural activities.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3215), to amend the National Foundation on the Arts and the Humanities Act of 1965 to provide for a permanent authorization for programs under such act, introduced by Mr. PELL (for himself and other Senators), was received, read twice by its title, and re-

ferred to the Committee on Labor and Public Welfare.

ADDITIONAL COSPONSORS OF BILLS

S. 2893

Mr. MOSS. Mr. President, I ask unanimous consent that, at the next printing of S. 2893 to amend the act of June 27, 1960 (74 Stat. 220), relating to the preservation of historical and archeological data, the name of the Senator from Texas (Mr. YARBOROUGH) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3163

Mr. GRIFFIN. Mr. President, at the request of the Senator from Arizona (Mr. FANNIN), I ask unanimous consent that, at the next printing, the name of the Senator from Wyoming (Mr. HANSEN) be added as a cosponsor of S. 3163, to provide for a White House Conference on Indian Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 3181

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Wisconsin (Mr. PROXMIER), I ask unanimous consent that, at the next printing, the name of the Senator from Maryland (Mr. TYDINGS) be added as a cosponsor of S. 3181, to provide a program of pollution control in selected river basins and waterways of the United States through comprehensive planning and financial assistance to municipalities and regional management associations for the construction of waste treatment facilities.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 292

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from West Virginia (Mr. RANDOLPH), I ask unanimous consent that, at the next printing, his name be added as a cosponsor of Senate Resolution 292, to express the sense of the Senate with respect to troop deployment in Europe.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REFORM ACT OF 1969—AMENDMENTS

AMENDMENT NO. 372

Mr. SCOTT submitted amendments, intended to be proposed by him, to the bill (H.R. 13270) to reform the income tax laws, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 373

Mr. BELLMON. Mr. President, on behalf of myself and the Senator from Kansas (Mr. DOLE), I submit an amendment, intended to be proposed by us, jointly, to the bill (H.R. 13270) to reform the income tax laws.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. BELLMON. Mr. President, most of us have been saddened by the specter of American citizens being forced to sell their homes or farms to governmental entities for use in construction of airports, highways, lakes, recreational areas, or other public service developments. We have all seen many examples of the hardships caused by such involuntary conversion. Unfortunately, progress demands that from time to time considerable amounts of private property be taken from its legal owners and converted to a public use.

Our right of eminent domain laws have been carefully drafted to protect the rights of citizens whose private property chances to lie in the path of progress. However, despite the protection these laws are intended to assure, injustices and hardships to private citizens continue to occur.

The unsettled economic conditions of our times and the fundamental changes occurring in our agricultural economy make this amendment necessary. Because property values are changing rapidly and because of high interest rates and tight money conditions, it is not always possible for owners of property who are forced to sell involuntarily to replace their homes or farms within the brief time limits presently allowed. Also, in many cases, farm families forced to sell cannot find economic farm units with suitable dwellings within present time limits, if at all. This amendment would allow an additional year for their search.

In addition, the amendment would allow property owners greater freedom in choosing the types of real property investment.

In many cases, farmers or businessmen who are forced to sell their property have reached the age or a health condition which makes the continuation of their previous business endeavor impractical after the delay and expense of relocation.

This amendment will relax the present requirement to reinvest in property of a like kind and allow reinvestment in any real property.

AMENDMENT NO. 374

Mr. PERCY submitted amendments intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 375

Mr. HOLLAND submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 376

Mr. TYDINGS. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws.

This amendment would expand the provisions of section 704 of H.R. 13270 to provide that amortization for certified pollution control facilities shall be available for all of such facilities added after December 31, 1968, to any plant or property. The Finance Committee version of the bill would limit amortization of pollution control facilities which are added after December 31, 1968, to

plants or property which were in operation on that date. There would seem to be no justification for discriminating against a taxpayer by disallowing amortization for any pollution control facility which he adds to a new plant or property. The Finance Committee recognizes the problems environmental pollution which affects both the rural and urban sections of the country. Pollution abatement is one of the Nation's highest priority items.

Pollution control facilities do not increase earnings and many industries have not been as prompt in their installation as they should be. They are costly to maintain and operate and require funds that otherwise would be available for investments in productive plant and equipment. Thus, amortization for pollution control facilities should be available to facilities added to new as well as existing plants.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 377

Mr. TYDINGS. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws. The amendment would amend section 704 of H.R. 13270 to provide for amortization of any certified pollution control facility regardless of its useful life. The Finance Committee version of the bill would permit amortization only for that part of the cost of the pollution abatement facility that is attributable to the first 15 years of its useful life. There would seem to be no justification for so limiting the amortization provision. A taxpayer who, because of the nature of his business, is required to add pollution control facilities with a useful life of, say, 20 years should be entitled to recover his capital investment in such facilities in the same manner as another taxpayer who, because of the nature of his business, is required to add a pollution control facility with a useful life of only 15 years. The determination of the useful life of any asset, including pollution control facilities, is at best only an estimate. Technological advances and obsolescence are most difficult to determine for any asset. By limiting the amortization of pollution control facilities to those with a useful life of 15 years could only cause taxpayers to attempt to bring their particular pollution control facilities within the 15-year period, thereby causing extended controversy with Internal Revenue agents. Thus, amortization for pollution control facilities should be available for any facility, irrespective of its useful life.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 378

Mr. JAVITS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 379

Mr. TYDINGS. Mr. President, I submit amendments, intended to be proposed by me, to the bill (H.R. 13270) to reform the income tax laws.

The first amendment would amend the provisions of section 703 of H.R.

13270 to provide that certified pollution control facilities will be treated as pre-termination property for purposes of the termination of the investment tax credit and thus will continue to qualify for the 7 percent investment credit. The Finance Committee version of the bill provides several categories of pre-termination property which continue to qualify for the credit. I believe that certified pollution control facilities should also be included as pre-termination property because of the importance of providing incentives for private industry to accelerate capital expenditures for pollution abatement facilities. For Congress to repeal the investment tax credit for air and water pollution control facilities would be particularly unfortunate in the national efforts to curb industrial pollution. Such repeal would be incompatible with the action taken by Congress in 1966 in exempting investments in such facilities from the legislation suspending the investment tax credit. I urge my colleagues to continue the investment tax credit with respect to air and water pollution control facilities.

The second amendment would also amend section 703 of H.R. 13270. That amendment would provide that the investment tax credit shall be available for certified pollution control facilities irrespective of the date when they were placed in service. Under the Senate Finance Committee version of the bill, any property placed in service after December 31, 1978 would not qualify for the investment tax credit.

The third amendment would amend section 704 of H.R. 13270 to provide that the investment tax credit is to be available for certified pollution control facilities which are subject to amortization. Under the Senate Finance Committee version of the bill, the investment tax credit would not be available with respect to such facilities.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

AMENDMENT NO. 380

Mr. STEVENS submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 381

Mr. JAVITS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 382

Mr. MATHIAS submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 383

Mr. YARBOROUGH. Mr. President, I submit an amendment intended to be proposed by me to the tax reform bill, H.R. 13270, and ask that the amendment be printed. The amendment would clarify an ambiguity in the proposed tax on debt-financed income of exempt organizations. This provision of the bill replaces the present tax on unrelated business income of exempt organizations. I understand that there is no intention to apply the new provision to rental income of exempt organizations that is exempt under present law because

the leases are related to exempt purposes or functions of the lessor organizations. The amendment I am offering to section 121 of H.R. 13270 adds a sentence to section 514(b)(1) that provides this explicitly, resolving any possible ambiguity on the point in the present language of the bill.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

AMENDMENT NO. 384

Mr. RIBICOFF, for himself and other Senators, submitted amendments, intended to be proposed by him, to H.R. 13270, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 385

Mr. HARTKE submitted an amendment, intended to be proposed by him, to House bill H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 386

Mr. HARTKE. Mr. President, on behalf of myself, Mr. SCOTT, Mr. SYMINGTON, Mr. HARRIS, Mr. MATHIAS, Mr. CASE and Mr. HATFIELD, I submit an amendment to the Tax Reform Act intended to be proposed by us, jointly. Its purpose is to insure that the act will not place unacceptable burdens on a vital part of America's system of higher education—specifically, a group of independent advanced-study, educational-and-research institutions not formally affiliated with any conventional college or university. The placing of such burdens on these institutions is directly contrary to our national policy of providing substantial support for education at all levels. It would, in view of the quality of the institutions affected, be a step sharply damaging to American education, and a step that is not required by any considerations of tax policy.

The highest level of American education is provided, to a significant extent, by a number of independent advanced-study and research institutions. Examples of well-known institutions in this group are the American Academy of Arts and Sciences, the Brookings Institution, the Carnegie Institution of Washington, the Center for Advanced Study in the Behavioral Sciences, the Institute for Advanced Study, the Marine Biological Laboratory, the National Bureau of Economic Research, the American Assembly and the Wistar Institute of Anatomy and Biology.

These institutions are engaged directly and actively in educational and scientific activities. Many of them have existed and made valuable contributions to our fund of knowledge for many decades. They have never been regarded as foundations and have never, to our knowledge, engaged in the abuses which the Tax Reform Act is properly designed to prevent.

In most important respects these institutions are similar to the graduate schools of colleges and universities. The differences—flexibility or absence of a formal curriculum or degrees, and increased emphasis on independent research in specialized and highly advanced fields of study—are adapted particularly to the special requirements of advanced study, which by its nature does

not lend itself to a pre-established curriculum. These differences, which are designed to increase the effectiveness of the educational process in these institutions, do not justify any substantially different treatment of these institutions by the Internal Revenue Code.

The proposed Tax Reform Act, however, in the definition of "private foundation," and in the definition of "educational organizations"—which is the same as the definition in existing law—fails clearly to treat these institutions like colleges and universities and to exclude them from the provisions of the bill applicable to private foundations. Although these institutions apparently would be "operating foundations" and therefore not subject to some restrictions imposed by the bill, they would nevertheless be subject to a tax burden that would, in view of their tight operating budgets, gravely handicap their continuing educational and scientific programs—since the proposed assets tax would be greater, for example, than the entire annual budget of some of their programs—and put these institutions at a critical disadvantage, as compared with conventional colleges and universities, in providing attractions—for example, salaries and physical facilities—for scholars and teachers.

Of equal or greater concern is the threat to these institutions' independence posed by the bill's "expenditure responsibility" rules that would apply—even to operating foundations—when they operate with grants from private foundations. The supervision and control over the use funds implicit in these new rules, as amplified at page 51 of the Committee Report, would impair the integrity of these institutions and create within them an atmosphere that teachers and scholars would be likely to reject in favor of the independence of colleges and universities. This threat to the integrity of these institutions is not mitigated by the suggestion in the Committee Report that they furnish an independent audit certifying that the grant was used in accordance with the limitations required to be imposed by the granting foundation.

Finally, if these institutions are classified as private foundations their financial support by grants from grant-making foundations may decline substantially. Grant-making foundations will tend to give their money to conventional universities and colleges or to other organizations where they will not have to bother with the "expenditure responsibility" rules and the other burdens and risks involved in making grants to private foundations.

At stake, therefore, is part of the future effectiveness of advanced-study institutions in America. The amendment we have proposed would treat these institutions like universities and colleges and include them specifically within the definition of "educational organization" in Code section 170(b)(1)(A)(ii). This would insure that they will be excluded from the provisions of the bill applicable to private foundations and be free to continue their present operations.

This amendment is essential if the act is properly to reflect the theoretical and practical differences between founda-

tions on the one hand and educational institutions on the other hand. The amendment is five paragraphs long because it has been narrowly drafted to exclude from its coverage organizations that are not genuinely a part of our system of higher education. The term "advanced-study or research institution" added by the amendment to Code section 170(b)(1)(A)(ii) would be defined in Code section 7701, relating to definitions.

We believe this amendment is important, not merely to the institutions in question but to the country as a whole, and we strongly urge its adoption. Our views are shared also by the chairman of the Committee on Ways and Means who has explicitly approved the purpose of the amendment. After the Finance Committee reported this bill, he stated that he believed these institutions should not be classified as private foundations and that they could, consistently with the purposes of this legislation, be excluded by an appropriate provision.

We ask the Senate's support for this amendment.

I ask unanimous agreement that the proposed amendment and a technical explanation of it be printed in the CONGRESSIONAL RECORD at this time.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment and technical explanation will be printed in the RECORD.

The amendment, intended to be proposed by Mr. HARTKE, for himself and other Senators, is as follows:

AMENDMENT NO. 386

On page 150, line 25 strike out the comma and insert: "or which is an advanced-study or research institution."

On page 186, after line 16 insert the following (and redesignate subsection (f) as subsection (g)):

"(f) Definition of Advanced-Study or Research Institution.—Section 7701(a) (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(35) Advanced-Study or Research Institution.—The term 'advanced-study or research institution' means an organization, including a learned society, which is described in section 501(c)(3) and which—

"(A) expends substantially all of its income directly for the active conduct of scientific, scholarly, or educational activities;

"(B) maintains as the major part of its operations a faculty or one or more bodies of scholars or scientists (a significant number of the members of which hold advanced degrees) engaged directly, under conditions of academic freedom, in instruction or scholarly or scientific studies or research (exclusive of instruction, studies, or research for the primary purpose of commercial or industrial application);

"(C) makes available (or permits and encourages the scholars associated with it to make available) to the general public the results of its studies or research or furnishes directly to a significant number of individuals, selected objectively, programs of study or instruction or facilities for scientific, scholarly, or educational purposes;

"(D) is not controlled directly or indirectly by one or more disqualified persons (as defined in section 4946) who are not foundation managers; and

"(E) normally receives not more than one-third of its support in each taxable year from any combination of—

"(i) gifts, grants, or contributions from one or more disqualified persons (as defined

in section 4946) other than organizations described in clauses (i) through (vi) of section 170(b)(1)(A) and private foundations not described in section 4946(a)(1)(H), or

"(ii) gross receipts (exclusive of tuition or enrollment fees) from performance of services under contract."

The material presented by Mr. HARTKE is as follows:

TECHNICAL EXPLANATION OF AMENDMENT

The Amendment would add to section 170(b)(1)(A)(ii) of the Internal Revenue Code, at page 150 of H.R. 13270, a new clause which would include within the definition of "educational organization" any organization which is an "advanced-study or research institution." The term "advanced-study or research institution" would be defined in a new paragraph (35) added by the Amendment to section 7701(a) (relating to definitions).

The definition of "advanced-study or research institution" would apply to section 501(c)(3) organizations which satisfy each of five tests set forth in the Amendment in subparagraphs (A) through (E). The five tests are designed to serve two related purposes: first, to be descriptive of the principal characteristics of these institutions; and second, to exclude from the new definition, and thereby leave subject to the Bill's provisions on private foundations, organizations which are not part of the system of higher education. Excluded from the new definition, for example, would be organizations which direct their efforts to research primarily for commercial or industrial application, and organizations which do not operate under conditions of academic freedom.

Paragraph (A) of the new definition requires that the institution be engaged, both actively and directly, in educational, scholarly or scientific activities; it further requires that the organization expend substantially all of its income in conducting such activities. A similar test is already used in the Code in section 170(g)(2)(B) (relating to the unlimited charitable contribution deduction) and in the Bill in new Code section 4942(j)(3) (relating to operating foundations). An organization would not qualify under this test if, for example, a substantial portion of its income were expended to finance such activities carried on under the auspices of one or more other organizations.

The test in paragraph (B) reflects the major distinguishing characteristics of these institutions. The organization must operate primarily through a group of individuals (a faculty or one or more bodies of scholars or scientists) who are themselves engaged directly in instruction or scholarly or scientific studies or research. An indication of higher-education status, a significant number of these individuals must hold advanced degrees, and their activities must meet both a procedure test and a purpose test. As to procedure, the activities must be conducted under conditions of academic freedom, which means freedom of the teacher or scholar to express the truth as he sees it without interference by any other authority or fear of loss of position. As to purpose, the activities must be pursued primarily to enhance the knowledge or capabilities of the individuals involved or of the public at large. Activities carried on for the primary purpose of commercial or industrial application are not indicative of an institution of higher education and will not qualify in meeting the test in paragraph (B).

Paragraph (C) adds a test that ensures that the organization and its works will be exposed to or involved with the general public to a significant extent. The test requires that the organization make available (by publication or otherwise) to the general public the results of its studies or research. However, since these organizations often do not themselves publish the results of their

scholars' work, this test will be satisfied if the organization permits and encourages its scholars' work, this test will be satisfied if their work. (This test is intended to codify the current practices generally followed already by institutions of higher education such as colleges and universities; an organization would not fail to meet this test, for example, merely because its works are of direct interest only to a limited segment of the general public or because it or the scholar involved does not make available the results of efforts that are deemed unsuccessful.) Alternatively or in addition, an organization would satisfy the test in paragraph (C) if it offers programs of study or instruction or facilities directly to a significant number of individuals for scientific, scholarly or educational purposes. The meaning of "significant" will vary depending on the field of study, the nature of the program and other factors such as available financial resources. The individuals in question must, in any event, be selected on an objective basis. Examples of "facilities" within the meaning of paragraph (C) are libraries or laboratories.

Paragraphs (D) and (E) are designed to ensure that the organization will be independent and not be controlled or influenced in its operations by a particular person, family, organization or group. In paragraph (D) the test is put in terms of direct or indirect control of the institution by disqualified persons other than foundation managers. (Foundation managers are excluded from the control restrictions in paragraph (D) even if they are also substantial contributors as defined in section 4946(a)(2); this exclusion is necessary because many officers and trustees of these institutions are substantial contributors (that is, contributors of over \$5000 in any one calendar year) and is appropriate in view of the specific limitations in paragraph (E) on the amount of support that may be received from disqualified persons including foundation managers.) This test is already used in the Bill in new section 509(a)(3)(C) (pages 20-21 of H.R. 13270). The prohibited control for this purpose would include formal understandings or arrangements as well as formal voting control.

The test in paragraph (E) is designed to minimize the opportunity for control or influence stemming from financial support of the institution. Under this test, not more than one-third of an institution's support could be received from certain sources. These sources include disqualified persons who are individuals, business corporations, related foundations (as defined in section 4946(a)(1)(H)) and others. For example, an institution would not qualify under this test if it normally receives as much as one-third of its support from a private foundation which received substantially all of its contributions from the same individual who made (directly or indirectly) substantially all of the contributions to the institution in question. Further, to avoid outside parties' influence over the institution's activities and any impairment of its academic freedom, the support restrictions also apply to gross receipts from the performance of services under contract. Thus, under the test in paragraph (E), at least two-thirds of an institution's support must be derived from sources such as receipts from carrying on exempt activities (such as tuition fees and sales of publications), endowment income, contributions from "30-percent" organizations including the government, contributions from the general public (in amounts such that the contributors would not be disqualified persons), and contributions from unrelated private foundations.

AMENDMENT NO. 387

Mr. COOPER submitted an amendment, intended to be proposed by him, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 388

Mr. BYRD of West Virginia, for himself and Mr. MANSFIELD, submitted an amendment, intended to be proposed by them, to H.R. 13270, supra, which was ordered to lie on the table and to be printed.

NOTICE OF CHANGE OF DATE OF HEARINGS ON S. 2203

Mr. JORDAN of North Carolina. Mr. President, it was previously announced that the Committee on Agriculture and Forestry would hold hearings on S. 2203 on January 15, 1970. That date has been changed, and the Subcommittee on Agricultural Research and General Legislation will hold hearings on S. 2203 on January 20, 1970.

WILL CONGRESS RECLAIM ITS WARMAKING POWERS

Mr. CHURCH. Mr. President, Mr. Merlo J. Pusey, a member of the editorial staff of the Washington Post, has written a very thoughtful article on the warmaking powers of Congress which I think deserves the attention of every legislator. In his article, Mr. Pusey points out, quite correctly I believe, that Congress has been remiss in asserting its constitutional prerogatives in this area.

Although he criticizes the Committee on Foreign Relations for failing to act on a resolution submitted by the junior Senator from New York (Mr. GOODELL), which is designed to bring an end to American participation in the Vietnam war, he does give credit to the committee for taking the initiative in securing enactment of the national commitments resolution by the Senate earlier this year.

Mr. President, I ask unanimous consent that Mr. Pusey's article be printed in the RECORD. I might add that the chairman of the Committee on Foreign Relations has announced that hearings will be held on all Vietnam resolutions beginning early next year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 30, 1969]

WILL CONGRESS RECLAIM ITS WARMAKING POWERS?

(By Merlo J. Pusey)

Could Congress now intervene to stop the war in Vietnam? Having told the President through the Tonkin Gulf resolution in 1964 that he should use his own discretion as to what military measures were necessary in Vietnam, could Congress belatedly reverse itself and tell him to pull American troops out? At least one Senator, Charles E. Goodell, thinks so. But the ambivalent Senate Foreign Relations Committee has again postponed hearings on the Goodell resolution designed to cut off funds for fighting in Vietnam within a year.

It seems highly improbable that Congress will use this drastic weapon. The effect would be to force a pullout of American troops regardless of what the consequences might be. Congress has always been loath to take the responsibility for the extra casualties and chaos that might result from such an inflexible mandate. Yet the unrest in Congress over continuation of what is essentially a presidential war is steadily mounting.

Recent events have further dramatized the gravitation of the war power into the hands of the President. In his Nov. 3 address, Pres-

ident Nixon outlined his policy for ending the war—not a national policy reflecting the views of both the executive and legislative branches. When the peace demonstrators came to town, they were concerned only about making an impact on the White House. Congress itself was not in the limelight because it has been almost a cipher in the making of Vietnam policy.

In their more contemplative moments the President and his advisers may reflect upon how much easier their present position would be if Congress had authorized the limited war in Vietnam and if Congress were now sharing the agony of trying to end it without disastrous consequences. But wishing does not roll back history. The fact is that the Nixon administration alone is reaping the whirlwind of an unpopular war, which it did not start, because of the peculiar warmaking pattern that has come to prevail in the United States in recent decades.

There is now great concern in the country about this pattern. Many individual legislators are deeply chagrined by the congressional abdication in the past even though they may not be willing to follow the lead of Senator Goodell.

It is interesting to speculate as to what might have happened in 1964 if Congress had then been as alert to the perils of presidential wars as it is now. Last spring the Senate passed the Fulbright-Cooper resolution which expressed the "sense of the Senate" that the United States cannot enter into commitments to assist other countries by means of armed forces or resources without the consent of Congress. In an illuminating report issued prior to enactment of the resolution, the Foreign Relations Committee also outlined various steps which could be taken to guard against presidential wars in the future.

One of these precautions was that Congress should debate any question of a future military commitment long enough to know what it is doing and to establish a record of congressional intent. There was no such debate in 1964. Another precaution recommended was that Congress actually authorize or empower the President to do what Congress might deem necessary instead of leaving the whole perilous business of going to war in his hands.

The third precaution recommended by the committee was that Congress specify "as explicitly as possible under the circumstances the kind of military action that is being authorized and the place and purpose of its use." In addition to this, the committee urged Congress to "put a time limit on the resolution, thereby assuring Congress the opportunity to review its decision and extend or terminate the President's authority to use military force."

If these sensible rules had been in effect in 1964, Congress might well be debating now whether or not to extend the authority of the President to use armed force in Vietnam. It seems highly improbable that, under such an arrangement, the President would ever be allowed to send troops into battle, without a declaration of war, for more than a year at a time. Congress insists on reviewing other lesser grants of authority (foreign aid, for example) every year. A time limit on his authority to use armed force in Vietnam would have compelled Congress to share responsibility for the war, and of course it would have given Congress substantial leverage in pulling American troops out long ago if it had cared to do so.

There is not much point in speculating as to whether the war would now be ended if Congress had retained this kind of check-rein. Sometimes Congress is more belligerent than is the President. The point of enormous moment is that when the Congress does feel that the national interest demands withdrawal from a military venture it should have readily at hand means of making its influence felt.

Some ardent nationalists will say that any

such restraint upon the President in the conduct of foreign policy could become a serious embarrassment. But is embarrassment of the President of greater concern than continuation of a war after it has lost support in Congress and presumably in the country?

There is plenty of history to show that Congress as well as the President has sometimes abused its authority. In a democracy, however, we instinctively feel more comfortable if grave issues involving life and death and the future course of the nation are hammered out in legislative debate instead of being left wholly to executive discretion. And it is reasonable to ask whether the President himself, in this time of agonizing decisions, would not be relieved if the Foreign Relations Committee formula were in effect, requiring Congress to say the last word, on the basis of his recommendations, as to how long the commitment of American forces to the defense of South Vietnam should continue.

AN OUTSTANDING AMERICAN SOLDIER

Mr. HANSEN. Mr. President, the people of Cheyenne, Wyo., are honored that an outstanding American soldier makes that city his home.

Capt. M. C. Dunbar, Jr., at age 26, is among the most highly decorated men of the Vietnam war.

The Silver Star is the Nation's third highest award for valor. It is given for exceptional bravery in combat.

Few men are entitled to wear it, and those who are, wear it with justified pride.

From June 29 to July 21, 1969, while serving in Vietnam, Captain Dunbar won the Silver Star on four occasions.

We need say no more here because this record speaks for itself. I ask unanimous consent to have printed in the *Record* an article, published in the *Wyoming State Tribune* of December 2, concerning Captain Dunbar's achievements, which also include seven Bronze Stars, three Army Commendation Medals for valor, three Purple Hearts for wounds sustained in action, and three Air Medals.

Captain Dunbar is a career Army officer, and a credit to the Armed Forces of the United States.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

VIETNAM HERO'S HONORS MARK SUMMER OF VALOR

From June 29 to July 21, slightly more than three weeks of this past summer, M. C. Dunbar Jr. was very, very busy.

Dunbar, 26, is a captain in the Army.

At the time, he was in Vietnam.

On four occasions in that 22-day period, Captain Dunbar won the Silver Star, the nation's third highest award for valor.

The Silver Star is not a rare award although it is given for exceptional bravery in combat; many American servicemen have won it at least once; some a second time.

But four such decorations in less than a month is exceptional indeed; and Dunbar, who resides here at 5130 Windmill Road, may be unique in the annals of the U.S. military.

But wait.

Not only does he hold four Silver Stars; Dunbar, a company commander in the Army's 9th Division in Vietnam for 12 months that ended just 10 days ago, also has seven Bronze Stars, three Army Commendation Medals for

Valor, three Purple Hearts for wounds sustained in action, and three Air Medals.

But wait.

He also has four decorations pending: Two more Bronze Stars, the Soldier's Medal and the Vietnamese Medal of Honor.

All in all, Dunbar, a career Army officer who moved here nearly two years ago from San Antonio, Tex., to make his home, may be one of the most decorated veterans of this or any other war fought by Americans.

Dunbar's citations for the four Silver Stars alone are impressive; they're also repetitive—personal heroism in the face of the enemy.

A typical one is the second award of the Silver Star last summer as commander of Company D, 2nd Battalion, 60th Infantry, 9th Division. That was on July 3.

His outfit was engaged in a reconnaissance in force—that is, going out and looking for the enemy with the idea of having a fight if necessary—when Company D came under hostile automatic weapons fire.

The citation said Dunbar immediately "crawled to the lead element" of his company. "Spotting an enemy soldier, he boldly exposed himself to eliminate (the enemy) with accurate rifle fire," said the citation. Dunbar "remained at his exposed position to call in devastatingly accurate artillery fire within 20 meters (that's almost 22 yards, of his position)." Then, with "total disregard for his own safety, moved in and helped extricate the wounded from the battlefield."

The other three incidents were similar; in one of them, when his company came under fire from the enemy, Dunbar using only a .45 automatic pistol "neutralized" the bunker killing one Viet Cong and capturing another. In all of the four incidents, Dunbar came under heavy enemy fire himself.

The area in which he and his outfit were operating was Long An province, 35 miles southwest of Saigon—the Mekong Delta country. The operations for the most part involved small units, platoon and company-scale searches for and engagements of the enemy.

Dunbar calls this a "jitterbug technique" which requires efforts to make contact with enemy forces and maintain them. Most of the assaults are carried out on an air mobile basis, from helicopters.

The first couple of hours of one of these operations, he says, "are fast and furious" which involve intensive combat by the unit involved followed up by employment of a "pile-on" technique which requires calling in support units to hammer an enemy force with everything available.

In a company-scale operation, Dunbar said, his platoons may be as far as five or six miles apart at times.

The Viet Cong and the North Vietnamese are pressured night and day although the enemy prefers nighttime operations to day. The enemy most often "live like rats," says Dunbar, either concealed in heavily fortified bunkers that can resist even the heaviest artillery rounds and bombs, or buried up to their noses in swamps.

Dunbar arrived home 10 days ago. Shortly after Christmas he and his wife, Pam, and their three-year-old daughter, Carrie, together will leave for a new military assignment—this time with the U.S. Army forces in Europe where he'll also be a company commander.

A native of San Antonio, where he graduated from St. Mary's University and received an Army commission through the ROTC, Dunbar intends to make his home here permanently. San Antonio, he says, is too big. And he and Pam like Cheyenne.

They've bought their own home here and intend to return to it from time to time. Dunbar's father, retired from his own military career in the Air Force, also lives here. He's now a civilian employee at Warren AFB.

As for the future of the U.S. in Vietnam, Dunbar sees it as most promising.

"There is no doubt about the fact that we are making progress," he says. "The (South) Vietnamese are taking more initiative, and branching out into things we were doing for them. This Vietnamization thing is working out quite well. So long as it progresses in this manner I'd say we're doing quite well over there."

BLACK POWER IN THE BRIG

Mr. BYRD of West Virginia. Mr. President, an article originating in Charleston, S.C., and published in the *Washington Post* of yesterday, December 4, 1969, refers to charges by Representative L. MENDEL RIVERS that black prisoners in a Marine Corps prison at Camp Pendleton, Calif., were forcing white prisoners to perform menial tasks, undergo beatings, and submit to homosexual attack.

I note that the House Committee on Armed Services is looking into the matter in an effort to straighten out the situation. I wish to express the hope that the committee will thoroughly investigate the matter and see that appropriate action is taken to put an end to such activities and to punish prisoners who are guilty of such actions.

I ask unanimous consent that the article be printed in the *Record*.

There being no objection, the article was ordered to be printed in the *Record*, as follows:

There being no objection, the article was ordered to be printed in the *Record*, as follows:

RIVERS ACCUSES BLACKS OF WHITE BRIG SLAVERY

CHARLESTON, S.C., December 3.—Rep. L. Mendel Rivers (D-S.C.) charged today that black prisoners in a Marine Corps prison at Camp Pendleton, Calif., had made "slaves" of white prisoners through a "kangaroo court."

Rivers, chairman of the House Armed Services Committee, said committee investigators turned up evidence of the prison terror and "we are going to assist the Marines to straighten out this situation."

The Charleston News and Courier quoted Rivers as saying that by tight organization under Black Panther-type leadership, a minority of Negroes at the major Marine prison had established "black supremacy."

He was quoted as saying kangaroo courts ordered beatings for whites who resisted, and that some white prisoners had been beaten "to the point of death."

"Under threat of beatings, the white 'slaves' are required to perform menial tasks and in some cases submit to homosexual attack," the newspaper said.

Investigators reported there had been five major disturbances at the prison since July of 1968, the story said.

Rivers said the preliminary report would be further investigated by a House Armed Services subcommittee, and the chaplain and brig doctor had been called to testify.

PROPOSED APPROVAL OF SYNTHETIC OR ARTIFICIAL MILK

Mr. CURTIS. Mr. President, I invite the attention of the Senate to a warning which was issued recently by a Nebraska in a series of radio broadcasts.

The warning comes from a dairyman whose industry was given only 60 days to answer a recommendation to the Food and Drug Administration for the approval of a synthetic or artificial milk.

It is hard to believe that such a complex nutritional question with equally complex potential economic effects should be decreed by a government agency to be dealt with in such short order. It is not only unrealistic, it is also dangerous.

I ask unanimous consent to have printed in the RECORD, for the benefit of all who may be concerned about such a development, a speech by Mr. J. Gordon Roberts, of Omaha, which was broadcast over radio stations in Omaha, Lincoln, Sioux City, Denver, and Washington, and Clearwater, Tampa, and Orlando, Florida.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

YOUR JOB AND YOUR HEALTH MAY BE AT STAKE
IN FOOD REGULATION
(By J. Gordon Roberts)

Your rights as a citizen as well as your health may be vitally involved in the forthcoming White House Conference on Nutrition in Washington, D.C., December 2 through 4. Therefore, I suggest that you listen. Whether these comments are made by me or by John Doe is not important. But you, the listeners are important, and involved.

Unfortunately, the issues I must cover may not be summarized in one sentence because they concern proposed food regulations suggested by those in Washington with police power. These regulations are potentially so profoundly related to both the physical health and economic welfare of this nation that they must be explored thoroughly if they are brought up at all at the White House Conference. If regarded as routine resolutions these regulations could produce irreversible changes in this nation, the possible effects of which should be examined. Sometimes the importance of issues may not be fully recognized at the time.

For instance, in 1960, I attended a Conference on Youth in Washington, D.C. Oddly enough, the fundamental issue may be the same now as ten years ago, the rule of Pure Chance rather than Benevolent Force, universally.

In 1960, one issue was prayer in the schools. But this issue received little attention in advance of the conference. The conference, itself, was another matter. At the sessions I attended not only God but also the United States of America was banned from use in resolutions. "Patriotism" was clearly considered a dirty word.

Personally, I refuse to leave God out of my vocabulary or my life, Conference notwithstanding. For moral law is like gravity; invisible but inescapable.

Following the Conference in 1960, I had some comments which were reported, as I remember, in the Washington Post.

Specifically, it has been suggested by some in the FDA that imitation milk be offered the public which (and I quote verbatim) "may be superior in some respects to the dairy products they replace." Admittedly, the foregoing was offered as a consideration, not a claim.

Nevertheless, any such consideration by a private party as the foregoing would necessarily include provision for both animal and human research. Yet a recommendation is supposed to be answered within sixty days. The deadline is December 1. The Conference starts December 2.

What appears to constitute bypassing standards demanded of others by the FDA has already been recommended in advance of this Conference. In fact, such recommendation was included in the Federal Regis-

ter, Thursday, October 8, 1969, regarding what was published October 1.

Imitation milk is to be made imitative of cows' milk rather than human milk, according to recommendation offered. Asses' milk would be more suitable, nutritionally, according to text books, if human milk is not to be used.

I am being scientific rather than sarcastic when I say that asses' milk or mares' milk would constitute a better standard if human milk for human beings is not to be used as a yardstick.

On the other hand, I agree wholeheartedly that a Conference should be held. I offer warning because of what I have seen and heard in the past, neither by reason of mere conjecture nor foreknowledge of evil. And I contend that if one species may not produce a better nutrient for its own kind than may another species, then maybe atheists should control our school system.

In making my case, I must admit at the outset that I have an economic interest in the regulation of nutrition. Therefore, I may not be completely objective. Objectivity is your responsibility as a listener. I point this out to avoid using a moral issue simply to promote my personal interest.

Inescapably, however, economics and moral law do relate, and often go hand in hand. Were this not true, in my opinion, I would not raise the moral issue. In 1932, for example, when I was finally released from college by graduation, I became involved in the Farm Holiday Strike at Sioux City, Iowa.

There I learned that one may be killed just as dead in a little war as a big one. The motivation, not the means of maiming or killing is what makes a war.

For years afterward, I studied the cause and cure of depressions in the United States.

Later, I ran a column five days weekly in the daily newspapers on this subject. Some of my listeners may remember reading this column.

In my studies, I discovered some common denominators among depressions. One pertinent factor consists of a chain reaction. A depression is not a childhood game where "all fall down" all at once.

Another factor consists of the condition that some small group may achieve inordinate power, for the sake of greed, or power for its own sake. Thus some other segment of society is done grave and irreparable injustice. And thus all of society is ultimately engulfed in disaster.

For example, in 1932, farm purchasing power represented 62% of the 1909-14 level, as estimated at the time. For those lucky enough to have jobs, the purchasing power of wages, comparatively, was 212%. Unfortunately, many people did not have jobs, and soup lines were in almost every town.

In 1932, milk sold for as little as 4c per quart out of grocery stores. Farmers were not paid adequately for their work.

Of course some people will always want food and circuses for free. Why not? And tyrants have taken advantage of this for thousands of years.

By establishing requirements for milk and imitation milk, apparently favoring an imitation product, what may constitute an injustice to dairy farmers, has been recommended. Such regulation could make the pricing structure of the early thirties a paragon of justice by comparison.

By regulation, dairy farmers throughout this nation not only may be but almost certainly will be bankrupt, with no recourse whatever for their investment of years, as well as money, if such regulation be upheld in present form. Nearly 2,000,000 Americans, almost one out of a hundred, are involved in the dairy industry, more than enough to start a depression. Presently these people are the backbone of stability in this nation.

There are some in this country who would delight to see rioting extended from cities

to rural areas. If proposed regulation will not do this, then the Farm Holiday Strike of 1932 did not happen, after all, or else farmers have suddenly become willing to be stripped of their homes, without protest.

There are some who would like to see this nation paralyzed by a complex and crippling depression, as hard to undo as the damage from a nuclear explosion. And the best protection, now, as always, is truth. For the major requisites of economic cancer appear to be present.

If what be said here be untrue, let those who may contradict it with facts, by all means, do so. For there are those who would gag such protest as this, charging that the cost of defense against possible abuse of police power, should not be a deductible expense, Constitution notwithstanding.

To make clear my view of the proposed devastation to both the economic and physical health of the nation, I must review my version of the progress of the dairy industry since the turn of the century. Having attended dairy conventions since I was ten years old, I have had a ringside seat to watch the industry.

I must admit that my version of progress is necessarily subjective to the extent that I was part of it. However, my statements may be examined. They are public and open to review.

Since pasteurization, the major progress made has consisted of making cows' milk as nearly imitative of human milk as possible. If cows' milk could be made completely imitative of human milk, it might even provide protection against many diseases.

In 1933, I was involved, personally, in the introduction into milk of vitamin D extracted from cod liver oil. Others were using ultraviolet light to fortify milk. Still others later fed special feed to cows to offer such fortification. In the course of finding methods, irradiated ergosterol was introduced as a source of vitamin D.

Prior to the introduction of vitamin D milk, 80% of the infants in this country were reported to suffer from rickets to some degree. Through Vitamin D milk, rickets were eliminated almost entirely.

Following the line indicated by Divine Intelligence produced benefits far beyond what any mere human might predict. In my opinion, such line should be followed wherever possible.

Had vitamin D milk been introduced today, it would unquestionably have been outlawed, as may be demonstrated by example. Eighty per cent of the children in this nation would still have been suffering from rickets. The claim that all nutritional needs may be met in a well rounded diet would in itself have eliminated any possible argument, much less basis for research. Moreover, an infant's diet is necessarily limited.

Following the introduction of vitamin D milk in 1933, Roberts Dairy introduced homogenized milk in 1939. Others claim to have introduced it, too, and maybe they did. In 1938 I attended a national convention of leading dairymen. I was told that milk had always been sold on the depth of creamline, and always would be.

Had homogenization not produced a cows' milk more like human milk, I, personally, might have gone along with this argument. But cows' milk is suited for the four stomachs of the ruminant, not the single stomach of the human being.

The curd formed by cows' milk is about the size of a walnut, unless the milk be homogenized. With homogenization, cows' milk forms a curd about the size of a pea. Human milk forms a curd about the size of a BB.

At the time homogenization was introduced, various regulatory agencies attempted to interfere with it, just as regulatory agencies had endeavored to interfere with pasteurization at the turn of the century.

Regulators are just ordinary people, and should always bear this in mind.

The benefits of homogenization may not be measured as may vitamin D. But they are present; for milk is much more easily digested with a smaller curd.

The need for vitamin C in milk was brought up at the time that pasteurization was introduced, even though cows' milk contains very little if any vitamin C may be present in cows' milk.

The human being, however, is one of the few species on earth with a vital nutritional need for vitamin C. Most animals produce their own vitamin C, without need for an outside source.

The need of a cow for vitamin C may not be compared with human requirement. Therefore, cows' milk may not be compared with human milk, inasmuch as the two meet different needs. For one thing, cows' milk is designed to nurture the bovine brain, not the human brain.

Even so, some of you listening have used raw milk because of its vitamin C content, primarily. I know, because I solicited from door to door two decades ago. And for years, many health departments refused to ban the sale of raw milk because of vitamin C content. Some scientists today would indicate that maybe they're right.

For example, in the Omaha World Herald of November 6, 1969, is a story entitled, "Drink of Orange Juice May Help Curb Cancer."

Dr. J. U. Schlegel, chairman of the urology section of the department of surgery at Tulane University was quoted as saying that researchers gave test animals vitamin C in conjunction with chemicals known to produce cancer, but malignancies did not develop.

Dr. Schlegel emphasized in this article that vitamin C may not be considered a cure for cancer already developed.

Vitamin C appears to influence collagen beneficially.

Collagen is described as body cement. According to some scientists collagen is related in some fashion with aging, but more information should be forthcoming from research.

Smoking and drugs appear to reduce the amount of vitamin C assimilated, according to many scientists. And no scientific evidence has ever been presented, to my knowledge, of possible excessive use of this vitamin, because any excess is excreted.

The need for vitamin C is clear, beyond doubt, in any case. For years raw milk was sold, despite its alleged dangers, because of vitamin C, primarily. Yet today some in the Federal Government would ban the addition of vitamin C to milk, while permitting its use in imitation milk.

This would reverse the progressive trend of the dairy industry toward making cows' milk more imitative of human milk. But it would do far more.

Proposed regulation would permit the preservation of imitation milk with chemical preservatives. Imitation milk would not require refrigeration, presumably. Artificial coloring has even been suggested. Through offering a product not requiring refrigeration, fortified with vitamin C, the Federal Government would relegate milk to the role of butter in relation to margarine.

Now it is the opinion of at least some people interested in nutrition that the addition of any chemical not normally a nutrient may conceivably involve dangerous irritation, with daily use. Some even contend that the principal difference between cyclamates and other food chemicals which are not normal nutrients is that the damaging effect has been demonstrated in the one case, whereas research has not been conducted with regard to other chemicals.

In my opinion, such broad generalization may be extremely unfair going as far as an-

other direction as restricting the right to improve the value of cows' milk. However, we should not assume that proposed devastation of the dairy industry may involve no more than sheer idealism. A cursory examination of a local grocery store produced 18 different products fortified with vitamin C and protected with chemical preservatives. It is just possible that at least some companies selling products of this kind might be interested in eliminating competition of milk fortified with vitamin C without preservatives.

Citrus juices have some remarkable properties, peculiar to themselves. Nevertheless, chemical concoctions imitative of fresh fruit juice are invading the fresh fruit market primarily by reason of vitamin C fortification. Now imitation milk has been proposed containing a tiny chemical fragment of milk to give it flavor and fortified with vitamin C. A fortuitous coincidence for someone.

It hardly appears in the public interest that an artificial product be permitted with a natural vitamin additive, thus suggesting superiority, whereas the use of such additive in milk may be unlawful, especially in light of cancer research. Certainly all wholesome combinations should be permitted, which may conceivably help in the prevention or cure of cancer. Cancer is not only a killer, but the most cruel on earth.

And sadly, the potential health improvement which may be realized through making cows' milk more imitative of human milk has hardly been touched. For one thing, mammals at different levels of intelligence produce milk of widely different content. In effect, one Conference did all it could to destroy the Soul of America. Let not another jeopardize its mind.

Human milk produces a different kind of bacteria in the stomach of a newly born infant than does cows' milk. A very similar bacteria, however, may be introduced into cows' milk, acidophilus culture.

What might happen with imitation milk, artificially preserved, no one knows. In the first place, a preservative clearly would make impossible the development of bacteria in the same manner as in natural milk.

Dr. Kem Shahani of the University of Nebraska is quoted in the press as showing that lactobacillus acidophilus cultures may show slight anti-cancer activity, as well as great antibiotic activity.

He is quoted as saying that the factor, acidiphilin is (quote) "very active and appears to inhibit both gram positive and gram negative bacteria." (unquote)

Acidophilus buttermilk is a wholesome source of antibiotics which have never demonstrated any hazard. The use of this product literally goes back into the dawn of history.

The significance of this is spelled out in another headline from the Omaha World Herald of November 9, 1969, (quote) "Child Doctor against 'Antibiotics Scatter.'" The foregoing headline tells its own story of warning against overuse of antibiotics which may not be harmless.

Other research indicates the possible effectiveness of acidophilus culture to offset the results of atomic radiation. Research in Bulgaria indicates the possible effectiveness of Lactobacillus Bulgaricus as an anti-tumor factor.

The possible use of milk to protect human health has barely been touched. Who knows, for example, what might happen to cancer if cows' milk could be made completely imitative of human milk?

The effect of proposed federal regulation would be to prohibit ever finding the answer to such a question. For some answers probably must come from statistics involving thousands or millions of people, something beyond a Conference of two or three days. Diets in more than one part of the world should be examined. A study of Athero-

sclerosis among zoo animals may be quite revealing.

Proposed regulation would even strip some milk products of present nutritional value. Our sale of low fat milk fortified with vitamin C indicates that people want milk containing this nutrient just as much today as in 1920. However, very little has been done in recent years to improve milk basically.

To attract customers, milk has been used as a traffic-building to the point that research has not been carried forward as it should be. Innovation may of course weaken monetary control of markets. Therefore, regulation beyond justification may only intensify monopoly.

Already the dairy industry is demoralized. Any further damage would amount to devastation. However, many major companies are widely diversified, and may not be concerned.

And this fact is not offered as a criticism. On the dairy farm, cows require attention at least twice every day irrespective of 40-hour weeks. Getting the cows milked at least twice a day, 7 days weekly, at a price the public is willing to pay, is becoming more and more of a national problem.

The milk processor faces the same problem as the wage earner in the early Thirties. The wage earner was then forced to explain one wage cut after another to his wife, wage cuts over which he had no control.

The milk processor is simply told by the Federal Government that his cost of raw product has gone up. His only part in this increase is to pay the bill and try to explain to the housewife why she should pay more money for milk.

Understandably, national companies are even more hesitant to attempt such explanations as are small companies because consumer boycotts may hit products other than milk. So the price of milk lags constantly behind its cost. Only those stock companies with diversification can afford to remain in the milk business.

In Nebraska, for example, the number of independent processors is down by about two-thirds since 1958.

In much of the United States, milk companies are barely breaking even at best. Almost no independent companies are left.

Meanwhile, the dairy industry, generally, is not producing enough profit to provide for its survival, much less subsidize the research necessary for progress.

In many cities, milk is priced from 1 to 5¢ per quart too low to meet needs for survival and progress.

By increasing the price to dairy farmers, the Federal Government is protected from possible embarrassment, politically. But this leaves the processor as the scapegoat.

Many have tired of vilification as the middleman and gone out of business. But the milk will not process and distribute itself.

On the other hand, an industry in which pricing chronically lags behind cost will neither attract capital nor the kind of talent required for progress. So what is probably the biggest single source of opportunity for health improvement is being neglected through lack of money, talent, and political responsibility. At some universities at least dairy science departments are being combined with food technology. In only a few states are Legislators willing to share in the pressure put on milk processors, to protect an industry vitally needed for public health.

And now an easy answer is offered through a proposed quickie regulation, which the industry is provided 60 days to answer, with only the assurance of more abuse, whatever its stand.

The issues are so varied and complex that they could not even be discussed adequately in 60 days by scientists, processors, or anyone else knowledgeable about the industry. For there appears no simple and easy answer.

In the immediate future there appears no ready answer to increases in the cost of raw

product. It is small wonder that imitation milk has been offered as a possible solution for both processors and enforcement officials. Here is an example of why much more study is needed. Maybe there are better examples, but this is one.

At least some medical literature would indicate that less units of vitamin D are required, as a natural part of human milk, than are required as fortification of cows' milk. Lactose in human milk appears to be a factor.

How would imitation milk compare with cows' milk or human milk as a preventive of rickets? I don't pretend to know. But the danger of restoring rickets as a crippling disease is very real.

I don't pretend to be a scientist or a medical man, either, but I do know that when vitamin D milk was introduced, a bitter argument was raised as to irradiated milk as compared to fortified milk. So the issue is not an idle one in connection with new and different products. And neither definitions nor assumptions are adequate; truth may not be established by pronouncement. Men of strongly prejudiced opinion are having a field day.

I feel that the regulation presented, has implications which are so broad that the regulation of the dairy industry for interstate commerce, should, and must properly remain, within the halls of congress, irrespective of how constructive, may be the comments, forthcoming from the Conference, shortly to be held.

Thank you for listening.

SALUTE TO SCOTTY JACK ON HIS RETIREMENT

Mr. McGEE. Mr. President, the regional director of the Small Business Administration in Wyoming, William M.—Scotty—Jack, has been relieved of his post, which he had held since 1964. In the course of events, the new administration has decided to name its own candidate for the job. This is a circumstance which neither Mr. Jack nor I question.

But I do want to take a moment of the Senate's time to pay respects to Mr. Jack, whose long service in public and political life deserves recognition, and whose service for the SBA in the State of Wyoming has been outstanding. And I am sure his service is not ended, for as the Casper Star-Tribune editorially noted, Scotty Jack "is not an easy man to relegate to retirement."

Mr. President, I ask unanimous consent that the Star-Tribune's salute to Mr. Jack be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RETIREMENT OF SCOTTY JACK

William M. (Scotty) Jack, who recently was relieved of his post as regional director of the Small Business Administration, is not an easy man to relegate to retirement. As a member of the Governor's Commission on Reorganization, he is not left without important work to do that will be beneficial to Wyoming. Beyond this particular assignment, those who knew him well may expect that he will keep his hand in on a number of politico-economic chores.

There is no cause for criticism in the ending of his tenure as director of the regional office in Casper. Under a Democratic administration, he was appointed early in 1964. Now that the White House is represented by Republican leadership, it is the prerogative of that party to make its own selection. Nothing said here is to argue that point nor

to suggest that Mr. Jack should have been kept on the job.

Scotty Jack has gotten along well with members of both political parties and he is one of those individuals whom it would be very difficult to peg in a particular partisan slot if he had not already declared himself. As a legislator, including speaker of the House, as a state auditor, secretary of state, and a member of the Public Service Commission, and in the administration of the SBA office, he has placed the interests of his state above political consideration.

For many years he was identified with the oil industry, and for part of that time he was executive secretary of the Rocky Mountain Oil and Gas Association. These connections naturally would influence him into some conservatism. This is not to imply that he is anything less than a loyal and dedicated Democrat. Both major political parties have on their rosters members who represent varying shades of opinion on particular questions.

As word of his pending retirement was circulated, Mr. Jack was the recipient of many complimentary letters from persons who had been associated with him in one way or another. Not the least of these was from Gov. Stan Hathaway, who expressed appreciation for the cooperation received. Some of the communications were from SBA officials, and a number were from bankers in Wyoming who had participated in financing enterprises which the agency had sponsored.

One of the last acts of his administration was to persuade the SBA in Washington to broaden the list of deprived area program counties in Wyoming. The change had been advocated also by the Wyoming Department of Economic Planning and Development and the University of Wyoming College of Commerce and Industry. The change makes 11 additional Wyoming counties eligible for SBA financial assistance.

RAILROAD FREIGHT CAR SUPPLY

Mr. ALLOTT. Mr. President, for as long as I have represented the State of Colorado in Congress, we in the West have been faced with the problem of an inadequacy of the supply of freight cars to move our goods.

For 15 years, the Interstate Commerce Commission conducted controversial hearings and studies on car-hire rates and finally issued an order setting forth a complicated system of per diem rates based on a formula including both time and mileage. The Commission ignored protestations of 20 major railroads that this system would severely impair freight-car utilization and would cost the entire railroad industry large sums of money to implement. This order was challenged in the courts by a large majority of railroads and 21 States on the basis that the Commission had disregarded congressional intent in not considering the serious question of car supply. While the courts have now upheld the order of the ICC, the car utilization and cost-of-accounting issues were ignored by the court, and consequently its approval of the Commission's order reflected no real consideration of these issues.

The ICC time-mileage system will impair freight car utilization and will result in tremendous accounting expense to the railroad industry, an expense which could better be put to enlarging the freight car fleet.

The effect of a time-mileage system is double-barreled. The lower time factor

is an inducement to hold a car cheaply for a load. The mileage factor is a virtual penalty to move a car empty to the home road.

In 1966, Congress amended the Interstate Commerce Act to give the ICC authority to prescribe incentive per diem rates. After more studies and hearings, it has concluded that the interim incentive rate authorized by the statute would neither induce railroads to invest in freight cars nor would it increase freight car utilization. Since 1966 the problem has worsened. The vital supply of freight cars necessary in the West still travel over a few eastern railroad lines because these railroads find it cheaper to pay rent under the ICC rules than to build or buy their own cars or return empty cars to the western originating carriers.

It is time for Congress to act again and to direct the ICC to follow a basic policy of setting per diem rates in a manner which would be equitable to all, would induce the large investment in freight cars which are needed and would induce a freer, faster interchange of cars.

The proposed bill, based upon a 4½-year study by an Association of American Railroads task force, provides for a stabilized system of rates based upon time only. The rates reflect fair car ownership costs and a realistic return on investment. They offer an inducement to railroads to make long-range investments in freight cars. A provision is included in the bill to relieve railroads in certain cases where hardship would result.

Being adequate and based upon time only, the rates will constitute an incentive to release cars and move them to where they are needed.

Mr. President, the basic policies embodied in the law should not be left to a regulatory agency to formulate but should be declared by Congress. For these reasons, I am happy to be a cosponsor of this measure and urge its early consideration and enactment.

FREIGHT RATES AND THE ICC—TIME FOR A CLOSER LOOK?

Mr. CHURCH. Mr. President, there is increasing concern among farmers and other western rail shippers over the recent action of the Interstate Commerce Commission in granting, on November 17 of this year, a 6-percent across-the-board increase in freight rates.

This concern is fully justified. In the Western United States, materials and products must be shipped long distances to market. A rise in freight rates substantially increases the cost to the producer and has a serious effect upon the western economy as a whole.

Hard-pressed farmers, lumbermen, and other shippers are severely affected when freight rates rise. The increase recently granted was the third in 27 months and amounted to a 13-percent rise in rates in that period. It is said that the railroads may seek another 5-percent increase early next year.

The problem is obvious, Mr. President, and I think the manner in which these decisions have been reached and the justification for them should be studied thoroughly.

I ask unanimous consent that two articles, one published on November 7, 1969, in the National Farmers Union Washington newsletter prior to the granting of the most recent increase, and the other appearing in News Bulletin No. 26 of the Western Lumber Marketing Association, published after the increase was announced, be printed in the RECORD.

Western shippers deserve an answer to their questions about freight rate increases.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

THE RAILROADS ARE BACK FOR ANOTHER RATE INCREASE

No segment of corporate America quite equals the railroads for gall. They're back asking for another rate increase. They tried to by-pass a hearing and examination of the issues. It was too much even for the Interstate Commerce Commission which, judging from its rulings, has sometimes been indistinguishable from the railroads themselves. The ICC ordered a 30-day delay so others could be heard from. The Farmers Union filed a protest Tuesday. With Farmers Union in the protest were other farm organizations, including the National Council of Farmer Cooperatives, National Grange, Farm Bureau, and the United Fresh Fruit and Vegetable Association.

The railroads wanted a 6 percent increase effective Oct. 18. This would increase revenues, the railroads said, by \$600 million a year. It would be the third increase in 27 months and would amount to \$1.348 billion, an increase of 13 percent in that period. Farmers are the railroads' biggest customers, providing 23.7 percent of all the freight hauled. Many farmers, particularly in the West, are captive customers. Farmers are uniquely disadvantaged in dealing with railroads. They sell their products at the terminal price, less freight. As consumers, they buy their supplies and equipment at market price, plus freight. Transportation costs amount to about 10 percent of the total marketing costs for farm products, second only to labor costs. Farmers, unlike other customers, aren't in a position to pass on the rate increase to somebody else. The worst part about the attempt to rush the rate hike through is that farmers aren't even in position to get a refund if at some later date the increase should be found to be unjustified. Some middleman ordinarily holds the paid freight bill. The consumer, already having paid a higher price, wouldn't be able to claim a refund either.

The arguments presented by the railroads are shot through with inconsistencies, if not outright attempts to mislead. They projected operating costs for 1969 on the same number of operating hours in 1966. Since figures were available for the first 9 months of the year, one may well wonder why they didn't use them. There are good reasons to suspect their figures. When they asked for a 3 percent increase in 1967, they projected increased operating costs of \$257 million. These turned out to be only \$54.4 million. But their argument—false though it turned out to be—brought them an extra \$298.6 million in revenue as a result of the 3 percent increase.

Back of the entire question is the fact that the American people bought and paid for the railroads in the first place. Nearly half of the land in some states was given to the railroads, which they sold or otherwise exploited, in order to capitalize their corporations. Since then, they have have plundered the enterprise of America with constantly increasing freight rates. In recent years, services have steadily declined. In fact, it has now become necessary to establish two entirely new transportation systems—an in-

terstate highway system for trucks and passenger vehicles, and an airline system. Both have been subsidized—like the railroads—with vast amounts from the public treasury. Still, railroad services decline. It is not just passenger services. In 1947, railroads had 65 percent of the total inter-city ton miles. By 1966, their share had dropped to 43 percent; in 1968, 40.8 percent; and some believe that in 1969, it will be under 40 percent.

Yet the railroads are now branching out into conglomerate activities, engaging in all manner of business including farming, crying poverty in every breath. One wonders where they get the money. Are the enormous salaries of the executives of these varied companies being charged to railroad operating costs? This deserves study. Railroad management is grossly inefficient, yet draws enormous salaries. Its work force is demoralized, having been, since Chinese coolies and Irish peasants were imported to lay the tracks, systematically exploited. Each successive attempt by the railroads to gouge the American people brings the nation closer to the day when it must seriously examine the proposition of nationalizing the railroads.

NEWS BULLETIN NO. 26 OF THE WESTERN LUMBER MARKETING ASSOCIATION

It is reasonable to forecast that the ICC and the railroads are in trouble; that a Congressional investigation of the relationship between the Commission and the carriers may not be far away.

Events of the past month or so have revealed an increasingly discriminatory posture of the rails . . . and the ICC it might be held . . . toward shippers in favor of carriers. Points:

1. On Mon., Nov. 17, the ICC voted 6-3 to give carriers their 6% across-the-board freight rate boost. Railroads may seek another 5% raise in January, although the 6% will bring them an added \$600 million a year in revenue (they'd expected to make \$500-575 million this year, down from last year's \$593 million).

2. The carriers, a few weeks ago, brought into play a new AAR rule (effective from Oct. 15 to Nov. 30) which requires (ostensibly to better apportion cars and obviate shortages) that shippers tell them, if known, the consignee, the routing, and the destination of shipments at the time they order cars. Needless to say, this poses problems for a small mill in Oakridge which may be selling cars to (or through) a wholesaler and which may not have such sophisticated information.

3. The ICC has postponed "indefinitely" its Ex Parte 241 order to make mandatory on carriers certain AAR rules . . . including an order for them to provide adequate cars on their own lines or face stiff fines. The ICC, as always, is "studying" the problem . . . while an immediate car shortage develops.

4. Regarding that car shortage, the ICC has been asked to issue a Service Order for faster return of cars to western roads, but no action as we issue this. Seems (at least until our action in opposing S.O. 1023) that it was simple for the ICC to whip-out Service Orders penalizing shippers, but not so simple to penalize carriers.

5. Anent the above, the U.S. Supreme Court planted a Mafia-like "kiss of death" on the forehead of the ICC, and the carriers, with its holding on Nov. 10 that the Commission's original order of Oct. 17, 1955, setting car rental rates between carriers, was o.k., as was its order of Jan. 17, 1968, reducing daily rental charges—which would tend to encourage eastern lines to hold cars longer than normal without incurring any serious penalty.

Apparently it's o.k. for the railroads to sock-it-to shippers who allegedly delay cars, with penalty charges, but not o.k. for carriers to penalize each other when they hold cars unnecessarily long.

It's almost enough to drive a strong man to drink.

But last Monday some people in high places began to get mad.

ICC Chairman Virginia Mae Brown was among them. She said: "No emergency exists to justify making these rates effective (the 6% hike) at this time", without first holding full hearings (quoting the L.A. Times of 11/18 . . . albeit that sounds a bit odd in view of the ICC procedure in 1023—no public hearings).

Mrs. Brown noted that this is the third round of general freight rate increases since 1967 and said that entertaining this 6% request in such a relatively short time after the last boost, in 1968, "taxes both credibility and logic". The Commission ordered a 7-month investigation of the rate increase, after which time, if it is found the increase was not in fact justified, railroads would be required to make rebates to shippers (sound familiar? the same thing would happen if WILMA's posture re 1023 is sustained by the courts).

Congressman Richard L. Ottinger of New York—who deserves a letter of support if you feel in the writing mood—called for a Congressional inquiry; said the ICC is "unduly" influenced by the railroads; labeled the ICC "a toothless watchdog"; alleged there is a "working economic and political" partnership between the ICC and the railroads, because ICC employees move on to jobs with the carriers after leaving government service.

So the picture of anti-shipper discrimination is becoming more distinct, not merely to us, but to men and women in government.

We hope the battle cry for equity will soon be taken-up in earnest in Washington.

We are sending a copy of this News Bulletin to all our Pacific Northwest Senators and Representatives in Washington. Perhaps seeing this story unfolded in one place will help focus attention on the ICC-railroad relationship.

OEO LAWYER OPPOSES U.S. PATRIOTISM PROGRAM

Mr. FANNIN. Mr. President, today I received a most incredible letter from W. B. FitzSimmons, superintendent of schools of the Gallup-McKinley County School District in New Mexico. Mr. FitzSimmons called to my attention a copy of a letter addressed to one of his school principals from a lawyer, Stephen B. Elrick, who works on the Navajo Reservation for the Office of Economic Opportunity.

I would quote one paragraph from this letter:

He asks the question:

Are you in agreement with the statement attributed to Mrs. Stanfield, (sic) who is quoted as saying: "We should indoctrinate every child with the idea of being loyal to country." (My emphasis.) If so, I think that this is a sorry philosophy for a public school, which should be dedicated to the concept of free inquiry and exchange of ideas, as well as the presentation of all sides of disputed issues."

I digress to note that I am totally in agreement with the statement attributed to Mrs. Stanfield who is really Mrs. Stafford. Perhaps I would use the word "teach" in place of "indoctrinate," but there is not a great deal of difference in conventional usage. I want to make it unmistakable that I disagree with this OEO staff member who apparently thinks that loyalty to one's country is a "disputed issue."

December 5, 1969

Several other examples of faulty logic appear in this letter, notably the idea Mr. Elrick advances that in order to avoid "stimulating" establishment of the Christian—or Jewish—faith in public schools we must establish an even more intolerant standard of "stimulating" no faith whatsoever.

However the most important item is the awesome realization that this man is an employee of the United States of America, on the Government payroll, supposedly representing the legal needs of Navajo Indians in my State of Arizona.

Mr. FitzSimmons says:

I personally resent my taxes being spent for the salary of such an individual.

Mr. President, I do too. The apparently spontaneous outburst of antipatriotic sentiment, as expressed in this letter by Mr. Elrick, is an excellent example of the need for the amendment of the Senator from California (Mr. MURPHY)—S. 3016, pages 13 and 14—to the OEO appropriation allowing the Governor of a State to turn down the services of such people. If I were still Governor of Arizona and if it were within my power to do so, I should certainly see to it that Mr. Elrick did not continue his activities under Government sponsorship. I think most Governors must feel the same way. I know that our present Governor of Arizona shares this view.

During the current program year, OEO spends between \$1 and \$1.1 million for legal representation under the DNA program on the Navajo Reservation alone. There are about 120,500 Navajos, and the OEO has assigned some 84 employees to this legal aid program. That means an expenditure of around \$84 per individual Navajo per year for legal aid, and the 84 employees of the OEO project require over \$12,000 apiece, on the average, in salary and directly allocated expenses.

By any comparable standard, that is a pretty expensive, not to say extravagant, program. Then to pile on top of such a program the public attitudes of one of the staff members who would remove patriotic programs from the public schools is more than the taxpayer should have to bear.

In Arizona, we run the entire operation of the attorney general's office for the whole State for less than \$400,000.

It is obvious to me that we are not only wasting a lot of money, because the Navajo tribal organization has representation under still another Federal grant, but are actually harming the best interests of the Indians by paying such anti-American bigots to run loose.

It is my intention to ask OEO for a full explanation of the justification of such expenditures for the propagation of this kind of ideology, and I suggest to my colleagues that they take a careful look at this example of the use of taxpayer's money. I further urge support of Senator MURPHY's amendment.

I ask unanimous consent that the letters to which I have referred be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

GALLUP, N. MEX.,
November 26, 1969.

HON. PAUL J. FANNIN,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FANNIN: I am enclosing a copy of a letter one of my school principals received relative to a Veterans' Day Program held in a school whose enrollment is 99% Indian children.

At this program, two Vietnam casualty families were awarded medals, and various patriotic displays were in the school, including one bulletin board display that read, "God Bless America." This has been referred to in Mr. Elrick's letter as negating separation of Church and State. The Mrs. Stanfield referred to is a Mrs. Stafford who is a Negro.

The reason I am referring this to you at this time is that the writer, Stephen B. Elrick, is an attorney on the Navajo Reservation under the DNA legal services of the Office of Economic Opportunity.

I personally resent my taxes being spent for the salary of such an individual.

Very truly yours,

W. B. FITZSIMMONS,
Superintendent of Schools, Gallup-McKinley County School District.

WINDOW ROCK, ARIZ.,
November 12, 1969.

MR. CLAUDE HINMAN,
Principal, Church Rock Elementary School,
Church Rock, N. Mex.

DEAR MR. HINMAN: I am writing to express my opposition in the strongest possible terms to the patriotism program underway at Church Rock, as described in tonight's Gallup Independent. You are quoted as saying: "These kids don't know the Star Spangled Banner. They ought to have an awareness of the greatness of their country". This is true, but they ought to have an awareness of the faults and errors of their country, as well, of which there have been, and are, many. It is especially appalling to realize that these are Indian children who are being forced to participate in this program, when it is their people who have been treated most shabbily of all by the United States.

Are you in agreement with the statement attributed to Mrs. Stanfield, who is quoted as saying: "We should indoctrinate every child with the idea of being loyal to his country." (My emphasis.) If so, I think that this is a sorry philosophy for a public school, which should be dedicated to the concept of free inquiry and exchange of ideas, as well as the presentation of all sides of disputed issues.

I find it particularly offensive that you are apparently associating "patriotism" with support of the war in Viet Nam, which is, unquestionably, the most controversial war of our time, and, in the opinion of many, the most brutal and unjustified. Young children are subjected to enough pressures from the media, their parents, churches, etc. to hold the view "my country, right or wrong". The least you could do is to refrain from adding to the imbalance in presentation of viewpoints.

I note among the pictures appearing in the Independent some of drawings of soldiers with guns and several with the phrase "God Bless America". It is, indeed, unfortunate that you are encouraging these children to glorify war and all its attendant inhumanity. Likewise, it is deplorable for you to stimulate the express of what is, in effect, a prayer, in violation of the Supreme Court's ruling that public schools are to refrain from any such activities. There is simply no need to offend the sensibilities of some persons by indirectly stimulating the establishment of the Christian (or Jewish) faith among a people who have traditionally held conflicting religious beliefs. This does not even take into

consideration these people who have no faith whatsoever, or who simply wish to have the business of religion and politics kept out of the schools.

I would also suggest that you take a good hard look at the sponsorship of the organization the Independent says your "Patriotism Committee" is affiliated with, the Freedom Foundation. I could be mistaken, but I believe that this organization is one of the extreme right, either affiliated with, or similar to, the Birch Society, Minutemen, or similar paramilitary and far-right groups.

If you are not willing to demonstrate that your program is a balanced presentation, and to remove any hint of religious exercises from the curriculum, I shall take whatever steps I can to investigate the matter myself, and, if necessary, institute legal proceedings.

Kindly show this letter to Mrs. Stanfield and any other interested parties.

Sincerely,

STEPHEN B. ELRICK.

POLICY STATEMENTS OF BUILDING AND CONSTRUCTION TRADES DEPARTMENT, AFL-CIO

Mr. WILLIAMS of New Jersey. Mr. President, the Washington, N.J., Bricklayers', Masons', and Plasterers' International Union, Local No. 1, has approved five legislative policy statements adopted by the 55th convention of the Building and Construction Trades Department, AFL-CIO. Among these approved policy statements are several which relate to proposed legislation now being acted upon by committees of the Senate. S. 1369, which I introduced last March, was reported from the Subcommittee on Labor to the Committee on Labor and Public Welfare just last week.

I ask unanimous consent that a letter from Carl Edolo, corresponding and recording secretary of Local No. 1, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BRICKLAYERS', MASONS', AND PLASTERERS' INTERNATIONAL UNION
No. 1,

Washington, N.J., November 1969.

HON. HARRISON WILLIAMS,
U.S. Senate Office Building,
Washington, D.C.

DEAR MR. WILLIAMS: The Delegates of the 55th Convention of the Building & Construction Trades Department, AFL-CIO meeting in Atlantic City, New Jersey on September 24, 1969, adopted the following five policy statements relating to legislation to which we have a direct interest:

1. Statement urging Congress to enact (H.R. 1083 and companion bill S. 1109) which would extend the prevailing wage provisions of the Davis-Bacon Act to leasing arrangements entered into by the Post Office Department and other agencies of the Federal Government.

2. Statement urging the 91st Congress to include in the Labor Department Appropriations Bill adequate funds for administering the 1969 Construction Safety Act.

3. Statement urging Congress to enact (H.R. 860 and companion bill S. 1369) which would legalize the joint administration of Labor-Management Industry Promotion Funds.

4. Statement listing the Situs Picketing Bill (H.R. 100 and companion bill S. 1371) as the number one legislation issue of this Department and urging early passage of this legislation in the 91st Congress.

5. Statement urging Congress to appropriate adequate funds for the Bureau of Apprenticeship and Training within the Department of Labor in order to retain the present level apprenticeship training representatives. Also urging Congress to allocate \$800,000 within the budget of the Office of Manpower Administrator for the Seasonality study which was authorized by the 90th Congress.

The members of this local union approves of the adoption of the above statements.

Yours truly,

CARL EDOLIO,

Correspondence and Recording Secretary.

SENATOR SCOTT HONORED BY B'NAI B'RITH

Mr. SCHWEIKER. Mr. President, my distinguished colleague from Pennsylvania, the Republican leader (Mr. SCOTT), was presented the 1969 Humanitarian Award of B'nai B'rith at a dinner last night in Philadelphia. The 500,000 members of B'nai B'rith are celebrating the 125th year of service which their organization has given this Nation.

In his remarks following acceptance of the award, Senator SCOTT noted that Israel is "the only democracy in the Middle East" and he called for direct negotiations between the State of Israel and her Arab neighbors. The speech is another example of Senator SCOTT's concern for the welfare of Israel.

I ask unanimous consent that excerpts from Senator SCOTT's remarks be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

It is gratifying to know that the proceeds of this event will benefit B'nai B'rith Youth Services. The widespread activities of B'nai B'rith provide the kind of spiritual sustenance which can overcome a good deal of youthful disaffection.

Today's young people know of the Middle East events of 1957 only as history. Yet that history should teach all of us a lesson for today.

In 1957, after Israel won on the battlefield, the diplomats drew up an armistice which, rather than bringing peace, laid the groundwork for further conflict. The United States and the Soviet Union were equal partners in that error.

This week new "Big Four" talks began at the United Nations. I wish I could say that these talks will lead to peace. As a long-time supporter of Israel, however, I am not too sanguine about the prospect.

The Soviets and their Cairo friends have already refused to make even the smallest concessions in a series of private meetings with our representatives. If some agreement, any agreement, could come out of the New York talks there is hope that it could lead to direct Israeli-Arab negotiations on the status of occupied territory. But I am doubtful about the prospects of such an agreement.

The intransigence of the Russians, the economic interests of the British in Arab countries, and the political ambitions of the French all lead me to the conclusion that these talks may be a stalling tactic by those hostile to the interests of Israel. Meanwhile the Arab states continue to re-arm with Soviet help and the casualties from terrorism continue to mount.

So far, Israel's vigilance in protecting its territory and responding to isolated attacks has prevented full-scale war. Although Nasser has continued to violate the ceasefire since last March, at least he has been de-

terred from getting as carried away as in 1967.

The Nixon Administration has helped Israel maintain its deterrent strength by selling it F-4 Phantom jets which are a match for Nasser's Russian jets. Now I believe we should go further and reconsider the entire concept of an imposed settlement. So long as direct negotiations are stalled the Arabs will hope for favorable concessions and war will loom ever-larger on the horizon.

The real danger of continued Arab terrorism is not any direct threat to the existence of Israel. The Israelis would surely win a full-scale war in the foreseeable future. The cowardly Arab attacks which have recently killed and maimed young children are pathetic but not strategically important.

No, the real tragedy of terrorism is twofold. First, it embitters Jew against Arab and further delays peace in a part of the world where both sides have much to gain by cooperation. Second, it imperils more moderate Arab regimes which could be key factors in peace negotiations.

The award with which you have honored me tonight calls me a humanitarian. If I am worthy of that honor it is because I am concerned about human welfare. In the context of the Middle East, that means the welfare of both Jews and Arabs. That welfare can best be served by direct communication.

At present, Israel is the only democracy in the Middle East. It is also a showcase of technological advancement. Eventually the Arabs will realize that they can enjoy greater benefits if they channel fewer of their resources into machines of war. That day will arrive sooner if they are encouraged to sit down at the bargaining table with Israel.

Until the day of the yowshare supersedes the day of the sword, eternal vigilance must continue to be the watchword of Israel.

HARD TIMES FOR THE WOOL INDUSTRY

Mr. McGEE. Mr. President, the wool industry in this country is on hard times, threatened by any number of adverse possibilities. Not the least of its problems is the question of foreign textile imports, which have cut deeply into its markets. Action must be forthcoming soon to relieve this pressure.

This week I received from the executive secretary of the Wyoming Wool Growers Association a preliminary report on the Wyoming sheep industry in this decade, prepared by the Agricultural Economics Division of the University of Wyoming. This report, which Robert P. Bledsoe summarized in his letter of transmittal, make several things painfully clear. First and foremost, perhaps, is the stress it lays on the absolute necessity for continuance of the wool incentive payments provided under the National Wool Act. Without them, liquidation of sheep inventories would have to proceed at a very rapid rate, and Wyoming, long the Nation's second largest producer of wool, might find itself almost out of the business. Even now, Mr. President, many growers are liquidating. Mr. Bledsoe's letter tells why, and I think it would be useful to have the facts more widely disseminated. I ask unanimous consent, then, that the letter of November 25, addressed to me by the executive secretary of the Wyoming Wool Growers Association, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WYOMING WOOL GROWERS ASSOCIATION,
Casper, Wyo., December 1, 1969.

HON. GALE MCGEE,
U.S. Senator,
Washington, D.C.

DEAR GALE: We just received a preliminary report entitled *An Economic Analysis of Wyoming Sheep Industry—1960, 1964, 1968* prepared by Delwin M. Stevens, Professor, Agricultural Economics Division, University of Wyoming. A copy of the report is enclosed for your information.

The report contains some very pertinent information which should be beneficial to you as you discuss grazing fees, taxes, etc. with the various departments and bureaus, as well as other Senators. A few highlights of the report include: No. 1—The data was collected by personal interview with the wool grower himself; later, the interviewer, with the permission of the owner, went to his accountant to get the economic data on income and expenses of running the ranch in 1968.

No. 2: The sheep industry in Wyoming and throughout the western U.S. is having difficult financial problems. Despite a year of above average lamb prices, the Wyoming wool grower made a return of only about 3½ percent on his owned capital in 1968.

No. 3: Sheep production in Wyoming, the second leading state in numbers of sheep represents about 13% of Wyoming's agricultural income and agriculture represents about 20% of Wyoming's total economic activity.

No. 4: The average rancher in Wyoming had 4,961 sheep although woolgrowers in the Red Desert were much larger than those in the other areas studied.

No. 5: Some of the sheepmen were running as much as 20% cattle; in these cases it was necessary to prorate investment costs, as well as the operating and overhead expenses, between the two enterprises.

No. 6: Table 4 shows that the average sheep rancher in the State of Wyoming owned about 3.01 acres of deeded land per head and leased from private sources 1.03 acres, leased from the State .90 acres, and from grazing associations .74 acres per head. In addition, he had access to .70 AUM's grazing per head from the BLM and .66 sheep months per head on the national forests.

No. 7: Table 6 on page 18 shows the items which make up the annual costs of running range sheep. The costs per head ranged from \$15.17 to \$17.79 and averaged \$16.15 for the State of Wyoming. The returns per head ranged from \$18.50 to \$21.80 and averaged \$19.77. Subtracting the costs from the returns leaves a return to owned capital of \$3.62 per head. This amounts to 3.60% on an investment of \$100.44 per head. The ranchers in the northeast Wyoming averaged only 3.15% return, those in north central Wyoming 4.45%, and those in southwestern area 3.29%.

No. 8: The figure \$7.79 per head income from wool and pelts for the average ranch in 1968 (Table 6) includes the incentive payment for wool of \$3.17 per head. Assuming the incentive payments were omitted through termination of the program, and if the price of wool sales remained the same, the ranchers would have had a return of only \$.45 for owners equity (\$3.62—\$3.17=\$.45) which represents less than one-half of one per cent return on owned capital. If leases and permits for grazing on private, state and federal lands, instead of being \$1.04 per head (Table 6) were raised 50%, the average rancher would have had a minus percentage return on owners equity.

No. 9: When the per head data are placed on a per month ranch basis, the average range sheep operator in Wyoming has a total investment of \$528,759, a real estate debt of \$62,761, leaving \$465,999 as his own capital.

I believe it is very apparent from reading through the report that without wool in-

centive payments, the Wyoming sheep industry would be in dire economic straits and liquidation of sheep inventories would proceed at a more rapid rate than at present. Also, I believe the report very vividly points out what would happen if the grazing leases were raised 50%.

I certainly hope that this information will be of interest to you and that you can utilize it as you work with the many departments and bureaus. Warm personal regards.

Very truly yours,

ROBERT P. BLEDSOE,
Executive Secretary.

RESPONSIVENESS BY AMERICAN CORPORATIONS TO MAJOR SOCIAL ILLS—ADDRESS BY HENRY FORD II

Mr. HART. Mr. President. Certainly, one of the most hopeful signs in our society is the responsiveness that many American corporations are showing toward our major social ills.

This responsiveness—though not universal—appears to be enjoying an encouraging growth. And it is superbly well illustrated by a speech given at the Harvard Business School December 2 by Henry Ford II, board chairman of the Ford Motor Co.

Mr. Ford, among industrialists, is perhaps unsurpassed in his willingness to "tell it like it is." He seldom makes any bones about his industry's occasional failings, and he is noted not only for proposing solutions, but for embarking upon them as well.

This is a thoughtful speech with a pleasant ring of candor about it. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY HENRY FORD II

One of the first rules of public speaking is to stick to subjects you know more about than your audience does. By that rule, I'm sure that no outsider should ever talk about business at Harvard Business School.

In order to keep myself on a reasonably even footing with this audience, I'm going to talk this afternoon about one aspect of business on which everyone is as poorly informed as everyone else. I'm going to talk, that is, about business in the future.

The one thing we can be sure about in discussing the future is that it will be different from the present. I don't know how many of you read the *Harvard Business Review*, but in the latest issue Peter Drucker observes that the changes between now and the year 2000 will be as great as the changes that took place between 1860 and 1914.

That's a fairly modest forecast. A few weeks ago, Dean William Haber of the University of Michigan told a group of Ford executives that the year 2000 will be as different from 1969 as 1969 is from the year 1500.

I believe Dr. Haber will prove to be a better prophet than Dr. Drucker. We are living in truly revolutionary times and it is difficult to imagine the magnitude, much less the nature, of the changes that will take place during the next three decades.

In my judgment, the most important of these changes, for business, will be those involving the relationship between business firms and the society they serve. As customers, as employees and as citizens, people are expecting many more things and much different things from business than they ever expected in the past.

The revolution in expectations has already come far enough to suggest how much farther it may go. It has already had a profound and varied impact on business costs and operations.

Let me give you a few examples from our recent experience at Ford Motor Company. We are now spending half a billion dollars a year in the United States and Canada to keep up with government standards and catch up with public expectations with respect to automotive safety and air pollution.

And that's just the beginning. Leaving safety regulations aside, concern over polluted air has led to proposals in Congress and in several state legislatures, including Massachusetts, to ban the internal combustion engine altogether, and surveys show that many people think this would be a good idea. The State of Illinois is suing the auto manufacturers to force them to install and pay for emission control devices on all the cars built since 1953. A similar suit has now been filed in New York State. However, these particular efforts turn out, it is abundantly clear that the auto industry needs to develop virtually emission-free vehicles as quickly as possible.

Another set of changes in public expectations is usually described under the heading of consumerism. For the auto industry, consumerism means, first of all, a rising tide of customer impatience with the cost and inconvenience of auto repairs and services.

Dissatisfied service customers are finding a sympathetic hearing in Congress, in state legislatures and in regulatory agencies. Recently, they have found another ally—the auto insurance companies, many of which are losing money in spite of rapidly rising premiums.

Again, the lesson is clear. The auto companies will have to find ways of making faster progress in reducing the need for and the cost of auto repairs and services.

Employees, of course, were the first of our many publics to organize effectively to put pressure on management in support of their expectations. We have been dealing with unions for many years, but even in this area the seeds of change are evident. The voice of monolithic unions is made uncertain by the demands of splinter groups which are unwilling to accept the will of the union majority.

In addition, our company, along with many others, has accepted a responsibility to modify employment practices in such a way as to help solve the national race crisis and help bring Negroes and other minorities into the mainstream of the economy. We are not only employing minorities in growing numbers, but are also implementing specific plans and programs to promote them as rapidly as possible and to help them to become successful dealers and suppliers as well as successful employees.

In the past, management has taken it for granted that there would always be an adequate supply of people willing to perform a hard day's factory work in return for a good day's wages. Now we are beginning to wonder. More and more employees and potential employees are deciding that they would rather accept less pay for easier and pleasanter work. The costs of absenteeism and turnover are rising steeply, and it is increasingly difficult to maintain plant discipline.

Even our dealers are joining the parade. They are having growing success in the courts and in state legislatures in restricting the ability of the manufacturers to influence their operations or to take corrective action when dealers fail to live up to their obligations under their franchise agreements.

The list of ways in which business costs and operations are affected by changing public expectations is almost endless. We are asked, among other things, to help control inflation, reduce the balance of payments deficit, contribute to the economic growth of

the underdeveloped countries, subsidize the revival of public transit and get rid of junked cars.

There is, I believe, one basic reason why everyone expects more from us than ever before. We are the victims, primarily, of our own success. As the saying goes, "Man does not live by bread alone"—but he has to have the bread before he begins to think of other things. Modern industry has provided the bread in abundance, and so has made it possible for masses of people to think about what else life could offer.

As employees, people are wondering if they have given up too much of their time, their freedom and their dignity for the sake of the paycheck.

As consumers, people are realizing that affluence can be a burden. Their cars and appliances break down, their plumbing leaks, their lawns get weedy, and getting things fixed is troublesome, expensive or even impossible.

As citizens, people can see that their material possessions have been purchased at a high cost in environmental pollution—dirty air, dirty water, ugly landscape.

Modern industrial society is based on the assumption that it is both possible and desirable to go on forever providing more and more goods for more and more people. Today, that assumption is being seriously challenged. The industrial nations have come far enough down the road to affluence to recognize that more goods do not necessarily mean more happiness. They are also recognizing that more goods eventually mean more junk, and that the junk in the air, in the water and on the land could make the earth unfit for human habitation before we reach the 21st Century.

In short, the terms of the contract between industry and society are changing. Industry has succeeded by specializing in serving one narrow segment of society's needs. We have bought labor and material and sold goods, and we have assumed that our obligations were limited to the terms of the bargain. Now we are being asked to serve a wider range of human values and to accept an obligation to members of the public with whom we have no commercial transactions. We are being asked to contribute more to the quality of life than mere quantities of goods.

Of course, these changes have been building for a long time. They are reflected in the many restrictions on business activities already imposed by legislatures, regulatory agencies and the courts. Now, because of the unprecedented growth of affluence in recent years, the changes in people's values are pressing in on us more heavily than ever—and the danger of losing our business freedom is greater than ever.

How much freedom business will retain in the closing decades of this century depends on the quality of management's response to the changing expectations of the public.

Whether inside business or outside, and whether friendly to business or hostile, most people think about these changes by dividing the responsibilities of business into two competing categories. On the one hand, there is the traditional responsibility of business to make a profit for the stockholders. On the other hand, there are the new responsibilities of business to the society at large. From this point of view, the question is, how much will business neglect one responsibility in order to serve the other.

Across the river in Cambridge, most Harvard people probably are convinced that business will never sacrifice enough profit to meet its social responsibilities adequately.

Meanwhile, some businessmen argue that the opposite is true; that business has learned to put social responsibility before profit. Sometimes businessmen, myself included, have tried to reconcile their two responsibilities by arguing that business must sacrifice profit in the short run in order to help build a healthy and grateful society

that will permit higher profit in the long run. But hardly anyone disputes the proposition that service to society requires at least a short run sacrifice of business profit.

This point of view may have been tenable in the past. As long as public expectations with respect to the social responsibilities of business were relatively narrow and modest, business could pass muster by sacrificing only a little of its short-run earnings.

Now that public expectations are exploding in all directions, we can no longer regard profit and service to society as separate and competing goals, even in the short run. The company that sacrifices more and more short-run profit to keep up with constantly rising public expectations will soon find itself with no long-run to worry about. On the other hand, the company that seeks to conserve its profit by minimizing its response to changing expectations will soon find itself in conflict with all the publics on which its profits depend.

There is, however, a third alternative, and that is to stop thinking about the pursuit of profit and the pursuit of social values as separate and competing business goals.

They are not the same sort of thing at all. One is a means and one is an end, and which is which depends on where you stand. From the standpoint of business, profit is the end and public service is the means. Business earns profits by serving public needs—but profit, not service, is the goal of business. From the standpoint of society and its members, on the other hand, service is the end and profit is the means. Society gets many of its tasks done by providing profitable market opportunities—but service, not profit, is the goal of society. Whichever way you look at it, the important thing is to stop thinking that the way to increase one is to reduce the other.

This, of course, is as elementary as economics one—but it has important implications for both business policy and government policy.

What it implies for business policy is that management should stop thinking about changing public expectations as new costs which may have to be accepted, but certainly have to be minimized. Instead, we should start thinking about changes in public values as opportunities to profit by serving new demands.

We have to ask ourselves, what do people want that they didn't want before, and how can we get a competitive edge by offering them more of what they really want? We have to think more like entrepreneurs and innovators, and less like administrators and problem solvers.

What this approach implies for government policy, is that the most effective way to encourage business to serve new public needs is to rely, when possible, on market incentives. When the marketplace does not automatically translate a public need into a market demand, then government action may be required to change market conditions.

The reduction of motor vehicle emissions is an excellent example of what I have in mind. Prior to the establishment of government emission standards, there was no market for emission control features. Although many people wanted cleaner air, individual customers would not have been willing to pay the extra cost of a low emission car because the benefits would have been imperceptible unless all customers were required to pay this cost.

When the need for abatement of air pollution was recognized, the government established realistic emission standards. By doing so, the government created a market and the auto industry has moved quickly to supply it. Within a few years, hydrocarbon emissions from new cars have been reduced by more than 80 per cent, and carbon monoxide emissions have been cut by two-thirds.

Although the present system has been highly successful, it still does not make the maximum use of market incentives. Ford and other auto manufacturers are working intensively to develop vehicles with still lower emissions, but the absence of any significant market for such vehicles is a handicap. Without a market, there is no fully realistic way to test the feasibility, the acceptability and the cost of improvements, and the constructive effect of competitive pressures is weakened.

A bill has recently been introduced in Congress that would help fill that void. It would require the Federal government to purchase for its own use, at a premium price, vehicles which surpass current emission standards by a specified margin. Without commenting on the details of the bill, I think that this is an excellent concept.

Such legislation would not, of course, provide an immediate answer to all the technical problems that still need to be solved. If properly drawn, however, it could create a market which does not now exist. It would thereby strengthen competitive incentives and provide a realistic opportunity to test the economic and technical feasibility of incremental progress in reducing vehicle emissions. This, in turn, will provide a better basis for orderly tightening of the standards governing vehicles sold to the general public.

It seems to me that the public will get much more value from government funds spent in this manner than it would from proposals to provide Federal funding for the development and construction of low-emission vehicles. I can promise you that when the bill is passed, and I believe it will be, Ford Motor Company will be competing vigorously in the new market it will create.

Business is always alert to market changes caused by shifts in consumer preferences. Now we face a new phenomenon—market changes caused by legislation and regulation. In the years ahead, we shall have to be as alert to these developments as we always have been to consumer desires. Whether the will of the people is expressed directly in the market, or indirectly through government, our responsibility is to earn profits by anticipating and supplying what people want.

It is clear that the American people want cleaner air, and want it very much. It doesn't take much imagination to see that before too many years have gone by, the only market left for motor vehicles will be the market for vehicles that are virtually emission-free. As a motor vehicle manufacturer, Ford's responsibility is to enhance its stockholders' investment by developing vehicles that provide the best possible combination of minimum emissions with all the other qualities people want in their cars.

Changes in the values and expectations of the public are now beginning to have an impact on automobile design that goes well beyond the addition of safety and emission control features. In the past, the American auto companies have responded to public taste by placing a heavy emphasis on styling changes and by offering steadily bigger, more luxurious, more complicated, more powerful and more costly cars.

In recent years, however, it has become apparent that these qualities have lost their appeal to a growing segment of car buyers. While many people continue to prefer big, powerful, complex cars and are willing to pay more for them, many others are more interested in maneuverability, fuel economy and low maintenance costs.

The Ford Maverick was designed to meet this shift in customer preferences, and its success demonstrates the extent of the shift. The Maverick is not just a small car with a low price. It was deliberately designed for reliability, durability, fuel economy, low maintenance and repair costs and error-free assembly in our plants.

The market for cars with precisely these qualities is large, growing and profitable. By contrast, with the public's interest in cleaner air, the public's interest in reliable, economical, trouble-free cars is automatically translated into market demand and therefore requires no special government action. We at Ford will be doing everything in our power to keep and extend the lead we have established in this segment of the market, and I have no doubt that our competitors will be doing everything they can to cut into our lead.

Time will not permit an extended discussion of the challenges we face in adjusting many other aspects of our business operations to fit the changing values and expectations of our publics, but I would like to make a few brief comments.

There is much truth in the charge that large organizations like Ford Motor Company, or Harvard University for that matter, have a built-in tendency to become impersonal, inflexible and unresponsive to the needs of individuals. The evidence is piling up, however, that people are less and less willing to tolerate the frustrations that normally arise out of their relationships with large organizations.

With growing affluence, people want more out of life than just money and goods. They want freedom and dignity and leisure. They want to be treated less impersonally, more equitably, more considerately. If those of us who manage large organizations want to get more out of the people who work for us and with us, we will have to give them more of what they want. We will have to improve our relations with people across the board. We will have to listen to them, pay attention to their hopes and grievances and respond promptly and fairly. We will need to be less impersonal, more flexible and more humane.

Among other things, we will certainly have to provide genuinely equal promotional opportunities not only for Negroes and other minorities but also for women, young people, and people without college degrees—all of whom are too often discriminated against in one way or another.

In the future, management will have to put more emphasis on what individuals *actually* can do, and less emphasis on such formal criteria as education, experience, age and sex which are intended to predict what they *probably* can do.

All of this adds up to one simple proposition: If management wants to get the most out of people, it will have to treat them as individuals. Twenty-three years ago, in one of my first public speeches, I said that if business could learn to manage people as intelligently as it managed money and facilities, American industry would enter a new era. We still have a long way to go in that direction and we have to hurry, because the people we manage are getting more and more impatient.

It should be clear to all of us that the environmental changes my generation has lived through are nothing compared to the changes that will come during your active careers. The company that looks upon those changes as problems to solve and as costs to cut will be overwhelmed by them.

The successful companies in the last third of the 20th Century will be the ones that look at changes in their environment as opportunities to get a jump on the competition. The successful companies will be those that anticipate what their customers, their dealers, their employees and their many other publics will want in the future, instead of giving them what they wanted in the past. The successful companies will be managed by men who regard themselves as entrepreneurs, and not merely as good administrators.

These are the companies that will earn the highest profits for their stockholders by discharging their highest responsibilities to the society.

BICENTENNIAL OF UNITED STATES
INDEPENDENCE

Mr. ALLOTT. Mr. President, the staff of the American Revolution Bicentennial Commission, which was established by law, has provided me with correspondence dealing with its efforts and those of the State Department in obtaining international approval for the winter Olympic games in my State of Colorado and the summer Olympics in Los Angeles, both in 1976. That year will be the 200th birthday of our country's freedom.

I ask unanimous consent to have printed in the RECORD, the correspondence dealing with this matter; namely, a cable to Yugoslavia by Dr. Sterling; a cable by Secretary of State Rogers to the American Embassy in Paris regarding the Bureau of International Expositions; and a letter to Secretary of Commerce Stans from Dr. Sterling.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

OCTOBER 24, 1969.

Mr. FRANKLIN L. ORTH,
Mr. AVERY BRUNDAGE,
Hotel Excelsior,
Dubrovnik, Yugoslavia.

Pleased to inform you that the following resolution of October nine, nineteen hundred and sixty-eight renewed by present commission. Quote the American Revolution Bicentennial Commission, an agency of the United States Government, as part of its responsibility for planning, encouraging, developing, and coordinating events in commemoration of the two-hundredth anniversary of the republic fully supports and endorses the United States Olympic committee effort to have Los Angeles, California, and Denver, Colorado, designated respectively as the 1976 sites for the XIX Summer Olympiad and the XII Winter Olympiad unquote.

Dr. J. E. WALLACE STERLING,
Chairman, American Revolution Bicentennial Commission.

To: American Embassy, Paris.
From: Department of State.
Subject: Bureau of International Expositions (BIE): Reservation of United States Bicentennial Date—1976.

As the Embassy knows, the subject of an international exposition to be organized in the United States in 1976 as part of the Bicentennial celebrations has been under active consideration by The American Revolution Bicentennial Commission (ARBC). The Commission, authorized by Act of Congress, is now developing plans for all aspects of the Bicentenary. Three formal sessions have been held since July, most recently on October 8-9. Additional sessions are planned at an early date.

As part of its work, the Commission has heard detailed presentations from three major cities—Boston, Philadelphia, and Washington, D.C.—which seek the privilege of holding the type of international exposition in 1976 that would qualify for sanction by the Bureau of International Expositions (BIE). At least one other city has requested the opportunity for a similar presentation. Meanwhile, the Commission is in communication with the Governors of the 50 states in order to coordinate all phases of the program and to insure that it will be thoroughly national in character.

Enclosure: 1. Letter of ARBC Chairman Sterling to Secretary of Commerce Stans dated October 15, 1969.

Due to unavoidable circumstances, the Commission has not been able to complete its study and recommendations on the im-

portant issue of an international exposition. However, as a result of the October meetings, the Commission has asked the Secretary of Commerce to have his United States Expositions Staff proceed with the necessary technical studies of the various exposition projects.

At the October meetings, the Commission was advised of previous diplomatic action taken by the Embassy in 1964, under guidance from the Department, to protect the Bicentennial dates with the BIE. As the enclosure indicates, the Commission also requested the Department to take whatever action is advisable to continue (or "renew") the United States reservation of 1976 for an international exposition of a nature appropriate to the Bicentennial.

The Embassy is, therefore, authorized to communicate with the BIE and to ask that this request be taken under official advisement by the BIE Classification Committee at its meeting of November 10 and by the BIE Administrative Council at its meeting of November 14, probably under Agenda item 12. The United States would hope by this action to set in motion the BIE's formal processes for clearance of the year 1976 for an international exposition of a universal category in this country.

The American Revolution Bicentennial Commission has indicated, in connection with the above actions, that it hopes to make its recommendation to the President on the exposition element of the Bicentennial as early in 1970 as possible. The Department will promptly forward to the Embassy for transmittal to the BIE the result of this executive decision and the supporting details as to the site, theme, timing and method of organization of the exposition project.

On such a schedule the United States would hopefully anticipate that formal considerations by the BIE might be concluded in time for affirmative action by its membership at the semi-annual Administrative Council meeting in May, 1970.

WILLIAM P. ROGERS,
Secretary of State.

AMERICAN REVOLUTION BICENTENNIAL COMMISSION,
Washington, D.C., October 15, 1969.

Hon. MAURICE H. STANS,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: I am sorry to be so long in replying to your letter regarding international expositions. As you know, it has been a very important item in Commission discussions during our past few meetings, and we would very much like to avail ourselves of the expertise of your staff. Specifically, I would like to request that Mr. J. William Nelson, his staff, and the representatives of other government agencies, which he may deem helpful in this task, study and evaluate the exposition proposals, not only those submitted by the three cities of Boston, Philadelphia, and Washington, D.C. but also those made by smaller groups such as the Cambridge Seven and Polis '76. It would be most helpful if he could correlate this material with past experience giving particular attention to defining the individual parts that comprise the total fabric of an international exposition.

At its October 9 meeting, the Commission also asked the State Department to renew a 1964 request to the Bureau of International Expositions to reserve the year 1976 for an international exposition in the United States of a nature appropriate to the Bicentennial. With the assistance of your staff, we hope to be able to make our recommendation to the President on this matter soon after the first of the year. I would like to take this opportunity to particularly commend the contributions made by Department of Com-

merce representatives at Commission meetings and to thank you for your continuing cooperation.

Sincerely,

J. WALLACE STERLING,
Chairman.

HUMAN RIGHTS CONFERENCES
AROUND THE WORLD

Mr. PROXMIRE. Mr. President, the International League for the Rights of Man has recently issued a bulletin enumerating a number of human rights conferences that have been held around the world during this past year. Due to the nationalistic orientation of the world today, these conferences have had very little substantial impact. However, the educational value of these human rights conferences cannot be ignored. To educate the world in the need for consideration and incorporation of basic human rights conventions and accords is an extremely difficult and arduous task. The world is indeed fortunate that there are many responsible and capable individuals who are attempting to perform this important service.

Mr. Roger Baldwin, the current director of the International League for the Rights of Man, listed a number of these human rights conferences in the recent League bulletin. I think it important that this Chamber be aware of the continuing battle to see human rights affirmed throughout the world. Mr. Baldwin mentioned the following conferences:

The series of international conferences open to regional representatives continues as a major feature of the educational efforts of the U.N. The various conferences and seminars adopt no recommendations, though their discussions arrive at conclusions reflecting the trend of their debates. The circulation of their proceedings in the several languages of the U.N. doubtless has an effect on governmental policy in many countries.

One held in Rumania in August on the effects of scientific developments on the role of women was attended by Dr. Edith Krebs of the affiliated Austrian League for Human Rights.

A U.N. seminar on the exercise of human rights in developing countries where the concepts are often novel, was held in July in Nicosia, Cyprus, attended by African and Mediterranean delegates. Observers reported that the seminar was one of the liveliest and most productive of the many organized by the U.N.

A regional conference organized by the Organization of American States, not the U.N., to adopt a charter of human rights with a court to enforce them, was held in Costa Rica in November.

As can be seen from the above statement, human rights conferences and seminars are frequent occurrences. Their educational value is beyond doubt. All that is needed for these conferences to have their greatest value, however, is for the nations of the world to begin to incorporate into their international commitments the various human rights conventions and accords that evolve from those worthwhile meetings. I therefore urge the Senate to take the initiative in this matter and begin by considering and ratifying the Human Rights Conventions on Political Rights for Women, on Forced Labor, and on Genocide.

KANSAS NATIONAL GUARDSMEN RETURN HOME

Mr. DOLE. Mr. President, today, December 5, is a proud and happy date in Hays and Russell, Kans., for their soldier-citizens are coming home.

In May 1968 units of the Kansas National Guard were summoned to active duty following the Pueblo crisis. Across the State, Guardsmen responded to their Nation's need. They set aside civilian jobs and concerns, and donned the Army green. They said goodbye to loved ones and friends and went away with their comrades to serve America. Duty called, and these brave men answered.

Mr. President, I have had the privilege of personally knowing many of these men and their families for many years. The 995th Maintenance Company has its headquarters at Hays, Kans., and its ranks are filled with men from the surrounding area. I know firsthand what these 18 months have meant to them and their communities. Their sacrifice in terms of time, careers, and emotions has been profound.

The Nation owes a deep debt of gratitude as these men return to civilian life. This debt was not incurred only by what they gave up but by what they gave. While on active duty, the 995th distinguished itself through its dedication, its excellence, and its contribution to the Army's defense effort. Men who one day had been civil servants, businessmen, and laborers, the next day were first-rate, full-time soldiers. They gave real meaning to the National Guard's tradition of readiness.

I regret that our business in the Senate prevents my attendance at the welcoming ceremonies today. But I am also grateful that I may tell the Senate of these returning soldiers.

I wish to express my congratulations and appreciation for the job the 995th has done and to extend best wishes and warm regards as our men resume their civilian lives.

EDUCATION APPROPRIATIONS

Mr. MONDALE. Mr. President, on Monday of this week I had an opportunity to appear before the Labor-HEW Subcommittee of the Committee on Appropriations. I testified before this subcommittee on the tremendous unmet educational needs facing our Nation, and urged them to recommend substantial increases in funding for educational programs at all levels.

Funds for educational programs are sound investments in the quality of American life. I believe that Congress has a responsibility to invest heavily in the children of this country, and I believe that fuller and more adequate funding for vital educational programs is the place to begin.

I ask unanimous consent that the testimony I presented to the Appropriations Subcommittee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WALTER F. MONDALE

Mr. Chairman and Members of the Committee, I am honored to have this opportunity to present my views on needed increases in appropriations for vital education programs. The H.E.W. Appropriations Bill, as passed by the House of Representatives, contains a vitally needed increase of \$1 billion over the Administration's budget request for education but still falls short of meeting the human needs of this nation. I recently made a statement on the Senate floor expressing my opposition to reductions in funds for medical research and related programs—a statement which reflected the deep distress felt by Minnesota's outstanding medical community concerning the drastic reductions in federal support of medical research and improved health delivery services. Therefore, I will focus today upon the need for appropriations increases for elementary, secondary and higher education.

I feel strongly that this nation is falling behind in its quest for quality education and adequate health services while frantically scrambling to escalate a questionable race toward higher and higher expenditures for military and space programs. The Senate must correct this imbalance, and the H.E.W. appropriations bill is the most appropriate vehicle for attacking this problem.

I would suggest that we may be asking the wrong question when considering appropriations for programs designed to meet human needs. We traditionally ask, "Can we afford to . . . ?" I would suggest that we should ask, "Can we afford not to . . . ?"

Or to state it another way, we look at human needs and do whatever we think we can afford at the time. In contrast, in our firm desire to reach the moon in the 1960's, we established a national goal and resolved that we would, without question, provide the resources to achieve that goal.

I am fully aware of the fiscal constraints we are facing as a nation. My point is that we are reacting to these constraints in the wrong way—in a manner which does not reflect the over-riding human needs of a nation in turmoil. I would hope that we in the Senate, and particularly those who serve on the Appropriations Committee, could view appropriations not in the light of what we can afford in the traditional sense, but in answer to a more critical question: What will be the ultimate cost to the individual and to the society of the unrealized potential of millions of under-educated children and adults; of years of inequality of educational, social and economic opportunity; of neglected dropouts; of poorly prepared teachers; of alienated youth?

Quality education is truly an investment and not an expense. At a time when the nation's school systems are facing a severe financial crisis, the federal government must respond. In this regard, I have taken two major steps within the Education Subcommittee of the Committee on Labor and Public Welfare in recent weeks. First, I have called for the creation of a prestigious National Advisory Commission on School Finance to study the school fiscal crisis. This Commission would be required to report to the President and the Congress within two years its recommendations concerning the proper federal role in financing education in partnership with state and local government. Secondly, I have introduced amendments to S. 2218, the bill to extend the Elementary and Secondary Education Act of 1965, which would increase annual authorizations for a number of selected ESEA programs. These include Title I (programs for the disadvantaged), Title II (library resources), Title III (innovative and exemplary programs), Title V (strengthening state departments of education), Title VIII (dropout prevention), and

selected programs funded under the Vocational Education Act of 1963. I also supported enthusiastically amendments introduced by the distinguished Senator from Texas, Mr. Yarborough, which would increase annual authorizations for ESEA Title VI (programs for the handicapped) and ESEA Title VII (bilingual education).

Before commenting upon specific programs which I consider most deserving of appropriations beyond those provided in the House bill, I would like to stress three subjects of particular interest to educators in Minnesota. These include forward funding, full funding, and the illusion often created when we appropriate the same amount for a given program from one fiscal year to the next.

The uncertainty created by a lack of forward funding in most E.S.E.A. programs is undoubtedly one of the most frustrating aspects of federal aid programs. Little has to be said of the problem created for a local school district which does not know what federal funds it will have available until half of the school year has passed. The dilemma faced by the administrator attempting to attract staff to a federally funded project under these circumstances is self-evident. Minnesota educators for whom I have great respect, such as John Davis and Donald Bevis of Minneapolis and Gregory Waddick of the State Department of Education, have described the negative impact of our present uncertain funding pattern upon the recruitment and retention of personnel for federally-supported programs and upon sound long range planning. The ultimate losers are, of course, the children for whom federal funds are appropriated. On their behalf, and on behalf of the taxpayer seeking maximum return on his investment in education, I urge the Appropriations Committee to do everything within its power to place federal programs of aid to education on a forward funding basis. As you well know, this has been done to some extent with Title I with great success. The concept should be extended to as many programs as possible.

Another concern is the lack of full funding—the large gap between program authorizations and actual appropriations. This gap raises unrealistic expectations on the part of those who are looking to the Federal Government for assistance. Our failure to deliver what we promise creates widespread disillusionment and uncertainty concerning our will to implement the excellent authorizing legislation which now exists. I believe that the major shortcoming of the Congress in education has been our inability to fund programs at levels which even approach our own authorizations.

This problem is particularly severe, as you know, in education. Programs administered by the United States Office of Education have been funded at less than forty percent of authorization. In sharp contrast, our space program is funded at ninety-nine percent of authorization and military procurement at ninety-two percent. I ask that this Committee do all it can to close the appropriation-authorization gap in the fiscal 1970 budget.

My third concern is the false impression often created when programs are continued from one fiscal year to the next at the same appropriation level. In such instances, we are not maintaining the Federal commitment, as is often implied. In the face of rising costs and growing enrollment, programs funded at the previous year's level are, in fact, undergoing a marked reduction in operational capacity. In most programs, it takes an increment of from ten percent to fifteen percent to stand absolutely still. The appropriations bill passed by the House includes a number of examples of this reduction in our commitment to the schools of the nation.

Before turning to specific programs and

recommending increased appropriation levels, I would like to commend and support the action of the House of Representatives in adding nearly \$1.05 billion to a totally inadequate Administration request for education funds.

VOCATIONAL EDUCATION AND IMPACT AID

I was particularly pleased to note the favorable House action which added \$209.5 million to the Administration request for the critically important area of vocational education. These funds will enable our dedicated vocational educators to develop imaginative, relevant programs suited to the demands of a rapidly changing society. The unique Work Opportunity Center Program of the Minneapolis Public Schools demonstrates what can be achieved by creative vocational educators.

I was also pleased to note that additional funds were appropriated under the impacted aid program. Public Laws 815 and 874 provide badly needed financial support to many Minnesota school districts.

However, despite the House increases, appropriations for many other key programs are inadequate. Programs which I consider particularly deserving of further appropriations increases include the following:

ELEMENTARY AND SECONDARY EDUCATION

Title I, ESEA. I strongly endorse the action of the House in adding nearly \$171 million to the request of the Administration for fiscal 1970. The resultant appropriation of \$1,396,975,000, however, still stands in sharp contrast to the 1970 authorization of \$2,359,554,470.

The Fourth Annual Report of the National Advisory Council on the Education of Disadvantaged Children had this to say about the level of Title I funding:

"The Council is distressed at what appears to be a weakening federal commitment to the education of disadvantaged children. This is best evidenced by the \$68 million cutback in funding of Title I from \$1.191 billion last school year to \$1.123 billion this school year. This cutback, combined with the continuing increase in the cost of education, results in an estimated \$400 million less for disadvantaged pupils in local schools this year than was available in the first year of the program.

We are deluding ourselves if we think we can make an impact on education of the disadvantaged without providing the necessary resources. . . . The Council, therefore, recommends that the Executive and Legislative Branches move as quickly as possible to close the gap between the Title I appropriation and the authorization. . . ."

I urge the Committee to fully fund Title I by adding \$962.6 million to the House appropriation.

Title II, ESEA. I applaud the action of the House in adding \$50 million to the Administration budget request, which included no funds at all for this program which has done so much to provide library and audio-visual resources for the schools of America. I urge the Committee to add \$5 million to the House figure (which is identical to the 1969 appropriation) in order to sustain our commitment at last year's level of actual purchasing power.

Title III, ESEA. This program, which has sparked major educational innovations in thousands of school districts, deserves far greater support than that requested by the Administration or that provided by the House. The appropriation now stands at \$164,876,000, identical to the 1969 figure. Again this appropriation stands in sharp contrast to a 1970 authorization of \$566.5 million. At a time when our educational system faces unprecedented demands for change and renewal, Title III is one of the few sources of financial support for the imaginative and innovative educator. I urge the Committee to add at least \$50 million to the

House appropriation for Title III, an action which would still leave this Title funded at less than one half of its authorization.

Title V, ESEA. This program of aid to state departments of education has been funded by the House, in agreement with the Administration budget request, at the 1969 level of \$29.75 million. The President's Task Force on Education stated:

"Along with any movement in the direction of 'designated block grants' should go the use of Federal resources to strengthen state departments of education. We therefore strongly recommend an increase in the funding of Title V of ESEA under which grants are made for this purpose."

If the Congress is seriously considering the possibility of shifting more administrative and program responsibility for elementary and secondary education programs to the states, it is incumbent upon us to help build a state capability to administer federally financed programs with maximum imagination and efficiency. I would therefore recommend that Title V be funded at \$40 million, fifty percent of its \$80 million authorization.

Title VII, ESEA. The House, in concert with the Administration budget request, has increased the 1970 appropriation for bilingual education programs to \$10 million from its 1969 level of \$7.5 million. I commend this action, but appeal for additional funds for expanding bilingual programs to serve American Indians and Mexican Americans and to develop programs of special language instruction for children living in deprived areas.

I urge the Committee to fund bilingual education programs at the full authorization level of \$30 million.

Title VIII, ESEA. The Administration requested that \$24 million of a \$30 million authorization be appropriated for dropout prevention programs for fiscal 1970. The House drastically reduced this request to the 1969 level of \$5 million. In view of the potential of this Title to deal with the frightening social implications of neglect of the school dropout, and in response to the many proposals which the Office of Education has been unable to fund, I urge the Committee to fund this program at the \$24 million level initially requested by the Administration.

Higher Education

Two related activities deserving of increased appropriations are the Education Professions Development Act programs and the Teacher Corps. Commenting on the E.P.D.A. programs, the President's Task Force on education stated, "The Education Professions Development Act of 1968, of which Teacher Corps is a part, is an excellent piece of legislation. We recommend that other titles of it also be funded at a higher level." The report went on to say, "We believe that the Teacher Corps has demonstrated its value and are strongly in favor of seeing it continued at a higher level of funding."

Education Professions Development Act programs (exclusive of Teacher Corps) are supported at the 1969 level of \$95 million by the House action in exact compliance with the Administration 1970 request. This program, designed to improve the quality of America's teachers and administrators, is authorized at a level of \$445 million for 1970. Again, we see a stark contrast between authorization and appropriation—between promise and delivery—between what must be done and what we are willing to do. I urge the Committee to approve a \$200 million appropriation for E.P.D.A. programs in 1970.

Teacher Corps, which has been an outstanding program—one which serves the disadvantaged while encouraging promising young persons to enter the teaching profession—will receive \$21.7 million under the House bill in contrast to the Administration's budget request of \$31.1 million and an authorization of \$56 million. I urge the Committee to approve full funding of this outstanding program for fiscal 1970.

STUDENT ASSISTANCE PROGRAMS

Undergraduate Student Assistance Programs. As a member of the Education Subcommittee of the Committee on Labor and Public Welfare, I have been particularly interested in student assistance programs. Present programs, while very commendable in their intent, fall to meet the needs of thousands of young Americans who have the ability to attend our colleges and universities. Present appropriations fall far short of institutional requests and legitimate student need for assistance. Recent action taken by the Senate and House in approving the Conference Report on H.R. 13194, the Insured Student Loan Emergency Amendments of 1969, provided a federal subsidy to encourage the expansion of the guaranteed student loan program, and increased the authorization levels for several other important student aid programs. These new levels approximate very closely actual institutional requests and Office of Education estimates for 1970. I would, therefore, urge the Appropriations Committee to respond to this unquestioned need by appropriating funds in accordance with these new authorization levels.

Specifically, if each of these programs were fully funded, an additional \$60 million would provide 125,000 more Educational Opportunity Grants; an additional \$96 million would provide nearly 150,000 more National Defense Student Loans; and an additional \$121 million would enable nearly 250,000 students to participate in the College Work Study Program.

SPECIAL STUDENT AID PROGRAMS FOR DISADVANTAGED STUDENTS—TALENT SEARCH, UPWARD BOUND, AND SPECIAL SERVICES IN COLLEGE PROGRAMS

These programs, all designed to encourage and assist disadvantaged students to take advantage of the educational opportunities which this nation makes available to the more affluent, are of major importance to the future of this nation and should be funded at the highest possible level. The authorization for these programs is \$56.7 million. I believe these highly promising programs deserve full funding.

The Talent Search program, funded at a \$4 million level in fiscal 1969, has been increased to \$5 million by the House for fiscal 1970, in accordance with the Administration request. I recommend that this program receive an appropriation of \$8.5 million for fiscal 1970—the Office of Education estimate to the Department and a figure which would represent a significant beginning in meeting our commitment to identifying the latent academic talent among our disadvantaged youth.

The Upward Bound program has been funded at \$30 million in the House bill, representing a slight increase over the 1969 appropriation of \$29.8 million. I urge the Committee to fund this program at a level of \$35-\$40 million.

The Special Services in College Program, which has never been funded, received an appropriation of \$10 million in the House bill. I urge the Committee to support that appropriation level for this promising program.

College Teacher Fellowship Program. Despite a growing undergraduate and graduate enrollment in our colleges and universities, the Administration and the House have seen fit to decrease appropriations for this program from the 1969 level. The \$70 million appropriated in 1969 has been reduced to \$56.1 million by the House in the 1970 bill and is not being appealed by the Administration.

The President's Task Force on Education expressed deep concern about the supply of college teachers, pointing out that new starts in predoctoral fellowships had decreased dramatically in recent years. New starts in predoctoral fellowships totaled 15,000 in

1966-67; 13,913 in 1967-68; 10,950 in 1968-69; and an estimated 9,675 in 1969-70. The report stated, "Unless this trend is reversed immediately, the supply of Ph. D.'s in all fields but particularly science, four to six years hence may decline seriously. We urge the Administration to give this problem early attention."

I share this concern and urge the Committee to increase the appropriation for the College Teacher Fellowship program to \$75 million, a figure which represents the departmental request to the Bureau of the Budget.

PROGRAM ASSISTANCE TO HIGHER EDUCATION

In a recent meeting with Minnesota college presidents and their representatives, I heard firsthand of the plight of the college and university as it attempts to absorb the impact of a burgeoning student enrollment.

Programs authorized by the Higher Education Act, which were singled out by Minnesota educators as particularly in need of increased appropriations were Title III (Strengthening Developing Institutions), Title VIA (Undergraduate Instructional Equipment and Resources), and Title X (Improvement of Graduate Schools). Each of these was identified as a program which required better funding if the institutions were to begin to meet ever-increasing demands.

The program for strengthening developing institutions, Title III, had an authorization of \$35 million in 1969 and received an appropriation of \$30 million. The House bill provides identical funding for 1970. But for 1970 the authorization for this program has doubled, and I urge the Committee to double the appropriations for this program as well—to a level of \$60 million.

The Administration and the House have provided for no appropriation at all for the purchase of undergraduate instructional equipment and other resources under Title VIA. I find it difficult to believe that a program authorized at the level of \$70 million by the Congress is deserving of absolutely no funding. Yet this is the situation as the appropriations bill now stands. This is particularly appalling in view of the growing importance of quality higher education. I urge the Committee to match the 1969 appropriation of \$14.5 million.

Title X programs designed to improve graduate schools received no appropriation in 1969 and are apparently going to receive the same in 1970 according to the request of the Administration and the House bill. Again, we have a program authorized by the Congress (at a level of \$5 million) which is not a reality because no funds have been appropriated. I urge the Committee to fully fund this program with an appropriation of \$5 million.

Before closing, I wish to register my strong opposition to Section 407, the Student Unrest Rider to the H.E.W. Appropriations bill. I believe that Section 504 of the Higher Education Amendments represents a more adequate approach to student unrest and strongly recommend that it be given a fair test. Adopting repressive measures is not the answer—measures which would punish our institutions of higher learning through the extreme measure of cutting off Federal financial assistance.

I also oppose Sections 408 and 409 of the appropriations bill, the so-called Whitten Amendment. I believe that this amendment would seriously jeopardize the progress being made in school desegregation across the nation. The potential implications of this amendment, particularly in view of the recent Supreme Court decision prohibiting further delay in desegregating the schools, are frightening. Any legislative action which will impede progress in this area or which would further polarize America as it attempts to resolve its racial conflict should be rejected.

ATTACK ON WARREN COURT BY U.S. LEFT

Mr. GURNEY. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Post on December 3, 1969. The article, written by Joseph Alsop, is entitled "Warren Court Attacked Again, This Time by the U.S. Left." The article makes extremely entertaining reading.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WARREN COURT ATTACKED AGAIN, THIS TIME BY THE U.S. LEFT (By Joseph Alsop)

Once again, the unspeakable has been spoken, the unmentionable has been mentioned, the unsayable has been said. This is a remarkable event; and if one looks ahead, it is probably a major political portent.

To be specific, the "Warren Court" was under bitter, sustained attack from the right from the time of the school desegregation decision, in 1954, until Chief Justice Earl Warren laid down his judicial robes. But now the Warren Court, and almost all its works and ways, have been sharply, cogently and powerfully attacked from the left.

The attacker is a brilliant contributing editor of "The New Republic," Professor Alexander Bickel of the Yale Law School. Furthermore, the two greatest monuments of the Warren Court, the school decision in *Brown vs. Board of Education*, and the so-called "one-man-one-vote" decision, are the principal targets of Bickel's criticism.

Bickel first spoke out when he recently delivered the Oliver Wendell Holmes lectures at the Harvard Law School. Vague reports of this remarkable lecture series thereupon caused a good deal of apprehensive flutterings in the inner dovecotes of American liberalism.

Far more widespread, acrimonious and public debate is bound to be touched off, however, by Bickel's forthcoming book, "The Supreme Court and the Idea of Progress." This is an expanded version of the Holmes lectures, complete with all the critical apparatus required by a major work of legal theory of the most serious possible character, which this book unquestionably is.

The thrust of the book is expressed in a single pungent sentence, as follows: "The Warren Court's noblest enterprise—school desegregation—and its most popular enterprise—reapportionment—not to speak of the school prayer cases and those concerning aid to parochial schools, are heading towards irrelevance, obsolescence, and, in large measure, abandonment."

A newspaper column is no place to try to recapitulate the kind of careful argument on which Professor Bickel bases the foregoing conclusion. It is enough to say, rather crudely, that Bickel finds that the school desegregation decision has not worked very well thus far, in a practical sense. And he further holds, obviously correctly, that *Brown vs. Board of Education* runs directly counter to the rising demand of black militant leaders for "black community control" of Negro schools.

As to the one-man-one-vote decision, Bickel's objections are even harder to summarize, in a few words. But one of them is certainly his opinion, again obviously correct, that the main beneficiaries of the resulting reapportionment are bound to be the ever-growing white suburbs, while the increasingly black center cities will lose leverage proportionally.

To the sentence already quoted, Bickel adds the observation that "if this assessment has any validity, it must be read as a lesson." The lesson he seeks to inculcate is that the courts in general, and the Supreme

Court in particular, are most imperfect instruments of social and political reform—however desirable such reforms may be. He would therefore have them leave reform, in almost all cases, to the elected members of the state legislatures and the Congress.

This reporter is wholly unqualified to discuss, much less to pass upon, the complex and profound constitutional issues that Bickel has raised. They were already being raised, before his retirement from the court by Justice Felix Frankfurter. They are now being raised, in certain specific cases, by Justice Hugo Black. That is all a reporter can properly say about the issues themselves.

The political meaning of Bickel's book is something else again, however. Against the Warren Court and all its works, the ranks of the American rightwing have always been solidly arrayed, as above-noted. But this book represents the first significant break in the ranks of the American left. There is now division, just where the Warren Court always obtained its strongest support.

One must say "the first significant break" because, of course, the black militants' demands for "community control" were also a break of another kind. The arguments for the so-called demonstration school projects in New York City, for instance, might have been made to order to support George C. Wallace's approach to the school problem in the South.

But when a man of Bickel's stature openly breaks the former liberal-intellectual solidarity on this matter there is no foretelling the final outcome. It is only clear that a new phase has opened.

RELEASE OF ISRAELI HOSTAGES BY SYRIA

Mr. WILLIAMS of New Jersey. Mr. President, I am happy to report to the Senate that the two Israeli civilians who have been held hostage by Syria for over 3 months, following the hijacking of a TWA flight last August, have been released. The Embassy of Israel has verified that they are on their way to Athens at this moment.

Although all the facts are not available as of this moment, I am sure all Americans join in expressing our warm "mazel tov" to these two Israelis and to their families. For them, a very trying 3 months has ended.

I also wish to share with Senators the joy expressed by Mrs. Joseph Dayan of Phillipsburg, N.J., sister of one of the hostages. When I met with Mrs. Dayan and the wives of the two hostages in October, I was deeply moved by their plea that the world not forget these two men.

Let us hope that their release reflects some possibility for peace in the Middle East.

ASSESSMENT OF PRESENT STRENGTH OF VIETCONG

Mr. GURNEY. Mr. President, this morning's Washington Post contains an article, written by Joseph Alsop, which is most timely, interesting, and exciting. It deals with the present morale and effectiveness of the Vietcong guerrilla effort in the Vietnamese war. Alsop states that President Nixon sent the Englishman, Sir Robert Thompson, to Vietnam to assess the present strength of the Vietcong. Sir Robert was the man who directed the successful British defeat of

the Communist guerrillas in Malaya. Sir Robert has now reported to President Nixon, and his assessment, according to Alsop, is that the Vietcong is in bad shape.

As I say, this is one of the most intriguing and exciting developments of the war in Vietnam.

I would hope that the peace-at-any-price activists both in and out of Congress would make it a point to read Sir Robert Thompson's report carefully. A few voices, which have received little attention and have been overwhelmed by the din and clatter of "get out now," have made the point that the turning-point of the war has been reached and that if the United States has the fortitude and foresight to stick it out for a while longer, and continue on its job to effectively turn over the war to the South Vietnamese, our goal of containing communism in Southeast Asia will be reached.

I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**BRITON'S REPORT ON VIETNAM MUST HAVE
HEARTENED NIXON
(By Joseph Alsop)**

Within the U.S. government, there is still an enormous diversity of viewpoint, and even of factual reporting, about the present stage of the war in Vietnam. Some time ago, this drove President Nixon to adopt an expedient without past American precedent, so far as is known.

To get a more solid feel of the real situation, and more particularly the situation in the Vietnamese countryside, the President asked Sir Robert Thompson to go to Vietnam on his behalf. One may guess the President chose this distinguished Englishman as his on-the-spot observer for two linked reasons.

On the one hand, he wanted a man who was free of all entanglement in the debates of our bureaucrats, analysts and policy-makers, which so often reflect the debaters' vested interests. And on the other hand, he had to find a man with the solid experience to compare past and present, and therefore to measure progress—or the lack of it.

Sir Robert's qualifications were obvious. He was one of the masterminds of the successful British effort to defeat the Chinese Communist guerrillas in Malaya. In addition, he had intimate knowledge of Vietnam, where he served, from 1961 to 1965, as head of a British advisory mission. And his freedom from any optimistic bias had recently been proved by his decidedly gloomy book, "No Exit From Vietnam."

As an unobtrusive presidential emissary, Sir Robert therefore undertook a long journey in South Vietnam, covering key provinces from northern I Corps to the Delta in the south. As one must do to find the rice-roots realities, he did most of his investigating at the district level, where the rice-roots war is fought. And he took along expert assistants, well qualified to check upon and also to amplify the facts that he gathered.

Sir Robert then returned to Washington a few days ago, and "The Thompson Report," officially so-called by the insiders, was formally delivered to the President on Wednesday. What he heard from Sir Robert must have encouraged the President very greatly.

The truth is that Sir Robert found a situation so radically changed that he largely abandoned the pessimism implied by the "No Exit"—that ominous phrase—in the title

of his recent book. He did not paint a purely rosy picture, to be sure.

He was far from satisfied, for instance, with the effort made to date to track down and eliminate the higher command groups of the Vietcong. And he warned that if peace came with these command groups still in being, though in refuge, they might later attempt to regenerate a Communist resistance movement.

On the other hand, Sir Robert also found that the entire Vietcong structure was being powerfully and quite rapidly eroded, all over South Vietnam. The rates and degrees of erosion naturally varied from province to province, and even from district to district; but the main features were everywhere the same.

The guerrillas and local force soldiers, who are the "enforcers" of the VC bosses, are everywhere defecting or falling in battle in great numbers; and they are not being successfully replaced. The VC recruiting base is everywhere shrinking drastically, owing to the solid extension of government authority. And in these ways, the VC are progressively losing their former authority over the people of the countryside.

What this means to Hanoi can be gauged from a remark that Gen. Vo Nguyen Giap made to a European correspondent some time ago. "I am not concerned," said Giap, "with the military successes of the US/GVN. I would only become concerned when the US/GVN began to destroy the VC political infrastructure."

That grave cause for concern now stares Gen. Giap in the face. For the command group, in their mountain and jungle refuges, are no more than the brains of this political infrastructure that Giap spoke of. Without their former apparatus of control of the countryside—above all, without guerrillas and soldiers to impose their will—the VC party secretaries are like Mafia bosses with no gunmen under their command.

Control of the countryside and its population is in fact the primary, most vital mission of this political infrastructure. This is why the VC structure in South Vietnam is Hanoi's primary, most vital asset. And the progressive erosion of this structure, reported by Sir Robert Thompson, is therefore a desperate matter for Hanoi—which probably explains the new infiltration figures that are the second part of the story.

A PROGRAM TO ABOLISH POVERTY

Mr. MONDALE. Mr. President, Dean Wilbur J. Cohen, University of Michigan School of Education, and former Secretary of the Department of Health, Education, and Welfare, has prepared an excellent article entitled "A 10-Point Program To Abolish Poverty by 1980," which will be published shortly in the Information Please Almanac of 1970.

I have had an opportunity to read this series of wide-ranging and provocative proposals. They constitute a well-thought-out blueprint for a coordinated attack on the persistent problem of poverty in the midst of plenty. The proposals, which range from ending racial discrimination, expanding educational opportunities, and improving social security to upgrading our health system, reforming the welfare program, and providing family planning and other social services reflect the breadth and depth of knowledge Dean Cohen has gained from a lifetime of commitment to programs designed to meet human needs.

I commend this thoughtful article to

the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A 10-POINT PROGRAM TO ABOLISH POVERTY BY 1980

(By Wilbur J. Cohen)

The United States is rich in material and human resources. In 1971, the annual gross national product will undoubtedly exceed \$1,000 billion; the average annual income of families will be approaching \$9,000. Moreover, abundance is growing.

Historically, poverty has been the result of inadequate production of goods and services. This situation still exists in most of Asia, Africa, and South America. By contrast, the abolition of poverty in the United States is no longer a problem of productive capacity.

The Nation has the material resources to eliminate poverty. In recent years, remarkable progress has been made toward the twin goals of the abolition of poverty and the provision of economic security for all. In addition, there are sufficient resources to assure the overwhelming majority of Americans whether at work or retired, whether widowed, orphaned, disabled, or temporarily unemployed) continuing incomes paid as a matter of right—incomes sufficient to assure a modest level of living, not just enough to meet the low standard that is used today to define poverty.

Although there are different standards of poverty, the Social Security Administration index is the most widely used. For an urban family of four persons, the poverty level was \$3,412 for the year 1967 compared with \$2,974 for 1959. These figures are adjusted for family size and price changes on this basis. In 1959, there were about 39.4 million people living in poverty; in 1968 the number was down to 25.4 million—a decline of 14 million persons. In 1959, 22.4% of the U.S. population was below the poverty level; in 1968 this figure had declined to 12.8% (See tables.)

We have, however, not only the resources but also much of the institutional framework to build upon to make poverty a thing of the past and to better the economic security of all Americans. With a comprehensive and coordinated plan, the job of eliminating poverty can be accomplished.

During the 1960's improvements in the social security program have brought higher benefit payments to a great majority of retired older people, widows and orphans, and the long-term disabled. Twenty-five million people—1 out of every 8 Americans receive a social security check every month. Because of their social security benefits, about two-thirds of these beneficiaries are able to maintain a level of living somewhat above the poverty level. Nevertheless, about 8 million social security beneficiaries still live in poverty, even with their benefits.

Yet, substantial progress has been made in reducing the number of the poor, in improving the level of living for people whose incomes are just above the poverty level, and even in improving the position of those who are still below the poverty criterion.

The striking reduction of poverty during this decade is attributable to economic growth, to the various measures taken to make it possible for more people to participate in the economy through job training, rehabilitation, and improved educational programs and to the major improvements that have been made in the social security program.

Nearly 30% of the poor live in households with an aged or disabled person at the head. Most of these people could be moved out of poverty through further improvements in the social insurance and assistance programs.

One of the greatest challenges comes in finding solutions for the rest of the poor—those who lived in households where the head worked all year but was still poor or could find work only part of the time or had no job at all. We can find solutions to this problem by a ten point coordinated program.

First: A successful national attack on poverty is dependent on continued economic growth and economic development:

We could reduce the poverty group from 25.4 million to about 15 to 20 million in the next 10 years with continued economic growth, and the expansion of employment in areas where underemployment now exists. This involves changes in tax policies, housing, and other programs.

Second: Opportunities for work—meaningful, productive, self-supporting work—must be expanded:

Economic security is perhaps best defined as a job when you can work and income when you can't. Most fundamental is the opportunity to work. Job opportunities must be made available for all who can work, and programs that improve the ability of the individual to earn must be expanded.

Well-planned and useful work, not made work, can be provided. There are over 5 million useful, public service jobs that could be developed—jobs in hospitals, and nursing homes, jobs that would contribute to improved roads, parks and recreation centers, jobs that would help relieve the pains and anxieties of children, the aged, and the disabled.

For those whose capacity to earn is low, and for those who have a potential capacity but are unable now to get a job, much can be done to improve programs that prepare them for full participation and full opportunity. Educational activities, job training, health and rehabilitation programs, manpower retraining and relocation, and special programs could enable the disadvantaged young to compete in the labor market.

Third: Racial discrimination—in jobs, in education, and in living—must be ended:

Justice and opportunity must become a reality for every American, regardless of race, creed, sex, or national origin. Every effort must be made to diligently carry out the constitutional obligations and statutory requirements of the Civil Rights Act so that equality for every boy and girl and every family in the Nation. In addition to its other insidious effects, discrimination is economically wasteful, costing the Nation about \$30 billion a year in terms of the gross national product.

People might be equipped for full participation in our economy and in all aspects of American life because this is the only worthy goal of a free and democratic society. We must not buy our way out of facing the tough problems of providing opportunity by the acceptance of a permanent class of the disinherited, condemned to live on a dole when they want to be a part of society and equipped to move ahead. Jobs are basic to economic security and the first task is to see to it that everyone is given the chance to learn and to earn.

Fourth: Family planning services must be available, on a voluntary basis, to those with lower incomes and less than a college education as they are to the higher-income, college-educated person in the suburb:

In the period from 1960 to 1965, low-income women of child-bearing age had an annual fertility rate of 153 births per 1,000 women. The rate for the rest of the female population was 98 births per 1,000. This rate of 98 per 1,000 is consistent with an ultimate family size of about three children—considered to be the size that most Americans, regardless of race, economic status, or desire.

Thus it is considered likely that the poor would bear children at the same rate if they had access to the same family planning serv-

ices available to the nonpoor. And, on that basis, it is estimated that in 1966, among 8.2 million low-income women of childbearing age, there were 450,000 births of what might be called unplanned-for children. Among these 8.2 million women, there were about 1 million receiving family planning services, and 4 million who were not but indicated they would if they were available. To provide family planning services to these 4 million women would cost about \$120 million a year. This is an investment we could afford.

Fifth: Opportunities for education at all levels must be expanded:

The vitality and economic growth of our society depends, to a major extent, upon the effectiveness of American education. We must assure equal access to high-quality education from preschool through graduate studies. The cost of educating every American must be recognized as an investment in a stronger, more vital Nation. To raise the necessary funds, the property tax must be eliminated as a source of revenue for education, and the Federal government must contribute at least one-third of the total cost.

Quality preschool opportunities, for instance, are essential for disadvantaged children if they are ever to have the hopes of succeeding in regular classroom studies. Less than one third of the Nation's 12.5 million children age 3-5 are enrolled in nursery schools or kindergartens. The proportion of children from low-income families enrolled is even less than the average.

The need for modern and effective technical and vocational education is also self-evident. We need a vastly expanded and a strengthened vocational education system, as well as imaginative new ties between school and the world of work in agriculture, commerce, and industry.

Unless children born into poor families have the opportunity to learn and develop skills, they will not only be poor children but will face the high probability that they will be poor adults they themselves will raise poor children.

Sixth: The social security program should be improved:

A job today not only provides current income but carries its own insurance against the loss of that income. This social insurance device is an institutional invention of first-rate importance. It is based on the idea that since a job underlies economic security, loss of income from the job is a basic cause of economic insecurity.

Under social insurance, while a worker earns he contributes a small part of his earnings to a fund, usually matched by the employer. And then, out of these funds, benefits are paid to partly make up for the income lost when the worker's earnings have stopped. Under this "Income Insurance," the payments made are usually related to the amount of the earnings lost and are thus designed to maintain in part the level of living obtained by the worker while he worked. Cash payments are made under social insurance programs to make up in part for earnings lost because of retirement in old age, disability, and the death of the family breadwinner.

In the United States, the largest and most important of the social insurance programs is the Federal system popularly called social security. This program insures against the loss of earnings due to retirement, disability, or death and pays benefits to meet the great bulk of hospital and medical costs in old age.

This year 90 million people will contribute to social security. Ninety percent of our population aged 65 and over are eligible for monthly social security benefits. More than 95 out of 100 young children and their moth-

ers are eligible for monthly benefits if the family breadwinner should die. And 4 out of 5 people of working age have income protection against loss of earnings because of the long-term severe disability of the breadwinner. When the Federal civil-service system, the railroad retirement program, and State and local government staff retirement systems are taken into account, nearly everyone now has protection under a government program against the risk of loss of earned income. In addition, many are earning further protection under systems that build on social security.

Social security provides a highly effective institution for income maintenance—one that is acceptable to the public, has a very low administrative cost, and is practically universal in application. But it needs improvement, particularly in the level of benefits.

Indicative of the need for higher benefit levels is the fact that the average social security benefit for retired workers is now about \$100 a month; for aged couples it is about \$170; for aged widows, \$86; and for disabled workers, \$112. Many people get lower amounts, and about 2.8 million beneficiaries get the minimum benefit. The minimum for a worker who goes on the benefit rolls at age 65 or later is only \$55 a month.

In September, 1969, President Nixon recommended important changes in Social Security benefit and contribution structure. His proposal included a 10 percent increase in benefits, and the establishment of an escalator provision which would automatically gear future increases to the cost of living. He asked Congress to make changes in the financial structure, the most important of which is to increase the maximum contribution and benefit base from \$7,800 to \$9,000 a year by 1972. In addition, he recommended a change in the retirement test by an increase in the amount a beneficiary could earn before a reduction in benefits would take place from \$1,680 to \$1,800 a year, he also recommended several other changes.

While President's proposal does represent a liberalization of the program, it is far from adequate. To bring benefits and contributions up to adequate standards, the following proposal should be adopted:

1. *An increase in benefit levels.* As a first step, Congress should increase all social security benefits by at least 15 percent this year, and another 15 percent two years later, with an increase in the minimum progressively to \$100 a month for the single retired worker or widow and to \$150 for the couple.

2. *A method of keeping the system in line with rising earnings.* Benefits should be paid based on average earnings over a worker's 5 or 10 consecutive years of highest earnings, rather than on his lifetime average, so that the benefits will be more closely related to the earnings actually lost at the time the worker becomes disabled, retires, or dies.

3. *A way to make the program more effective as the basic system of income security for those who earn somewhat above the average, as well as for average and below-average earners.* The present ceiling on the annual amount of earnings counted under the social security program should be increased from the present \$7,800, in stages, to \$15,000. Then automatic adjustment of the ceiling should be provided, to keep it in line with future increases in earnings levels.

4. *Provide protection against the loss of earnings that arises because of relatively short-term total disability.* Disability benefits should be paid beginning with the fourth month of disability without regard to how long the disability is expected to last. Under present law, the benefits begin with those for the seventh month of disability and are payable only where the disability is expected to last for at least a year.

5. *Improve protection for older workers by liberalizing the definition of disability for workers aged 55 or over.* The revised definition should permit benefits to be paid to a worker aged 55 or over if, because of illness or injury, he can no longer perform work similar to what he has done in the past. Under present law, the definition of disability requires that the worker be unable to engage in any substantial gainful activity.

6. *Improve work incentives by liberalizing the retirement test provision under which a beneficiary's earnings reduces the benefits he receives.* At the present time an individual can receive his full benefits if his annual earnings are less than \$1,680. This amount should be increased to \$2,400. The reduction also should be limited to one-half the amount earned above the exempt amount, regardless of the total amount of earnings.

The increase in the earnings-base ceiling proposed would result in higher income for both the cash benefits and the Medicare parts of social security and would go a long way toward financing the proposed reforms.

If the cash benefit program were to remain entirely self-financed, the ultimate contribution rate paid by employees and the rate paid by employers for the total social security program would have to be increased somewhat to meet the cost of all the proposals outlined. General revenue financing could be used to meet part of the increased costs.

Ways to relieve low-wage earners from the burden of the higher rates should be explored. One way would be to amend the income-tax laws so that, for low-income people, a part of the social security contribution would be treated as a credit against their income tax or, if no tax were due, could be refunded.

These benefit increases and the other program improvements would help all workers and their families. Their most important effect would be to reduce the number of poor in the future and to provide a level of living somewhat above poverty for most beneficiaries. But the effect of these changes on today's poor would also be very significant.

Seventh: Our health services must be improved:

High-quality health care must be available to all—in the inner city as well as the suburb. We must reduce the high toll of infant mortality; a more effective method must be found for financing prenatal and postnatal care for mothers and children. We should also:

1. *Provide under Medicare for protection against the heavy cost of prescription drugs.*
2. *Cover disabled social security beneficiaries under Medicare.*

3. *Put the entire Medicare program on a social insurance prepayment basis so that medical and hospital insurance both would be financed from social security contributions and a matching contribution from the Federal Government.*

Eighth: We must improve other social insurance programs.

Other social insurance programs—unemployment insurance and workmen's compensation—although not administered by the Federal Government, require Federal standards. Coverage of both of these programs should be expanded, and benefit levels in many States should be substantially improved.

The introduction of Federal benefit standards into unemployment insurance, where there is already a Federal-State relationship, would not be structurally difficult. In workmen's compensation, which has been entirely a State matter, it would be necessary to establish some new device, such as a Federal program providing a given level of protection, which employers would not have to join if they presented evidence of member-

ship in a private or State insurance arrangement with an equivalent level of protection.

Ninth: Our welfare system must be radically overhauled.

Drastic changes must be made in the existing welfare system—in the scope of coverage, the adequacy of payments, and in the way in which payments are administered.

Although work opportunities and improvements in social insurance can bring economic security to the overwhelming majority of people, they cannot do the whole job.

The Federal-State welfare programs have been confined to certain categories of recipients—the aged, the blind, the permanently and totally disabled, and families with dependent children when a parent is either missing from the home, dead, disabled, or unemployed. In addition, the States have been allowed to define the level of assistance provided in these programs, and many have set the level below any reasonable minimum, and payments vary widely among the States. General assistance for those not eligible under the Federal-State categories is entirely supported by State and local money and with few exceptions is very restrictive.

There are about 10 million persons receiving assistance payments—about 9 million under the federally aided programs, and about one million persons receiving general assistance not financed with Federal aid. This figure would be approximately double if the States took full advantage of the Federal eligibility standards and removed from State plans and administrative procedures the restrictions that now bar needy people from getting assistance. Moreover, because of the low level of assistance standards in many States a high proportion of those receiving assistance are still below the poverty level.

But criticism of existing public assistance programs is not confined to inadequate coverage or inadequate amounts. The list of criticisms is long, going to the nature of the program itself and its administration. The determination of eligibility for one is an unnecessarily destructive process, involving the most detailed examination of one's needs and expenditures and frequently prying into the intimate details of one's life. Moving from detailed budgeting to broad categories of allowances and to simplified determinations of income and resources would help to protect the dignity and self respect of the assistance recipient.

One problem that has haunted assistance and relief programs for years is how to provide adequate assistance without destroying economic incentive for those who can work. Reasonably adequate welfare payments, particularly to a large family, will sometimes turn out to be more than can be earned by a full-time worker with low skills.

Under aid to families with dependent children the Federal Government assists states to make payments to families with the father unemployed. In the 29 States that do not take advantage of this Federal offer and continue to provide aid only if the father is dead, disabled or absent from the home, the assistance program is correctly criticized on the grounds that it sets up an incentive for the unemployed worker to leave home.

Support for an assistance program that applies to all in need and that pays an adequate amount has been faced with hard going because of the incredible longevity of myths about those whom the programs are supposed to aid: that the poor live high on welfare handouts and that the poor are lazy and don't want to work.

The myths persist despite the fact that over 3 million of those on welfare are aged or disabled and over 4 million are children, and despite the fact that 80% of working-age men who are poor but not on welfare have

jobs, and about 75% of them are in fulltime jobs.

President Nixon, in August, 1969, proposed a dramatic reform in the welfare system which included:

1. A federally financed and administered assistance plan to replace the aid to dependent children program which would pay each working and non-working family in the United States a minimum income. For a family of four without any income the amount paid would be \$1,600 a year with \$300 additional for each child.

2. States would be required to supplement existing Federal payments to families with dependent children.

3. A work-incentive provision which allows the family on assistance to keep first \$60 a month earned and also 50 percent above \$60 up to a maximum level set according to the size of the family.

4. A work component which requires all family heads to register with the state employment office and accept suitable jobs.

5. An expanded day-care program for the children of working mothers and a job-training program to enable the parents to prepare for full-time employment.

6. Federal minimum payment standards for the 3 million aged, blind, and disabled receiving welfare.

As in the case of Social Security changes, the proposal includes several needed revisions, but does not go far enough. For example, by maintaining some form of Federal-State cooperation in financing payments, the plan retains the state by state inequities prevalent under the present system. It does not include over one million poor people who do not have families and who are not covered under existing welfare programs.

Tenth: the services that will help people move out of poverty must be brought to the people—where and when they need them:

Family planning services, visiting-nurse services, day-care services for the children of working mothers, community action programs and consumer and legal aid must be available where needed. City Hall—and Washington—must be closer to the people they govern. There must be an adequate program of consumer and legal protection for the poor. There must be an end to practices that short-change the poor in the grocery store, in the welfare office, or the landlord, at the neighborhood department store, and in the courts—in short, in all the waystations that add up to life in the ghetto.

It is important, too, that credit union facilities be available to the poor and that credit unions take even greater responsibility for the consumer education of their members.

A DEMANDING TASK

The problems of poverty and economic insecurity in the United States do not lend themselves to easy, magic solutions. They require a combination of deliberate, carefully designed, wideranging approaches, for the problems themselves are not simple. Being poor means more than not having enough money. It often means poor in spirit, hope, health, and intellectual resources.

The abolition of poverty will require money—about \$15 to \$20 billion a year initially. This is only about 1½ to 2% of our gross national product. We can afford the money. But money must be accompanied by far-reaching, penetrating approaches, by bold and coordinated public and private programs that provide opportunities for the poor. For those who are able to work, greater emphasis must be placed on jobs, education, and training. For those who cannot or should not be expected to work, improvements must be made in the social security program, which, combined with private benefit plans constitute the most effective institutions for income maintenance. They cannot, of course,

do the whole job. The present welfare system must be drastically overhauled to adequately serve those whose needs are not met by other programs. Concomitant with improvements in existing programs, the search must continue for new and imaginative programs that will meet the demands of the decade ahead.

Setting the elimination of poverty as a national goal is a huge and complex undertaking. The nation has the economic capacity, the technological capability, and the intellectual resources to accomplish this goal before the end of the next decade. But the most difficult task will be sustaining the determined commitment of the nation to the American promise: Full and equal opportunity for all to share in the good life that can be offered by a dynamic, prosperous, democratic society.

TABLE 1.—NUMBER OF PERSONS IN U.S. BELOW POVERTY LEVEL, 1968

[In millions]			
Characteristic	Total	White	Non-white
All persons.....	25.4	17.4	8.0
A. In families.....	20.7	13.6	7.1
B. Unrelated individuals.....	4.7	3.8	.9
C. Family members under 18.....	10.7	6.3	4.4
D. Adults.....	14.7	11.1	3.6

Source: Current Population Reports, Series P-23, No. 28, Aug. 12, 1969, U.S. Dept. of Commerce, Bureau of the Census.

TABLE 2.—PERCENT OF POPULATION IN U.S. BELOW POVERTY LEVEL, 1968

Characteristic	Total	White	Non-white
All persons.....	12.8	10.0	33.5
In farm families.....	18.8	15.9	58.9
In nonfarm families.....	9.5	7.5	27.1
Family members under 18.....	15.3	10.7	41.6
Unrelated individuals.....	34.0	32.2	45.7

Source: See Table 1.

TABLE 3.—POVERTY LEVELS FOR VARIOUS FAMILY SIZES, 1967

Size of family	Urban non-farm male head	Urban non-farm female head	Farm male head
1 member.....	\$1,750	\$1,632	\$1,476
2 members.....	2,178	2,110	1,841
3 members.....	2,674	2,573	2,264
4 members.....	3,412	3,393	2,907
5 members.....	4,022	3,984	3,431
6 members.....	4,517	4,497	3,852
7 or more members.....	5,562	5,433	4,720

Source: See Table 1.

THE NEEDS OF EDUCATION

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD my statement made on December 3, 1969, before the Subcommittee on Labor, and Health, Education, and Welfare appropriations of the Committee on Appropriations on H.R. 13111.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR VANCE HARTKE, DEMOCRAT OF INDIANA, DECEMBER 3, 1969

Mr. Chairman, I greatly appreciate your courtesy and that of your colleagues on the Subcommittee for providing this opportunity for me to speak with you about the needs of education and the imperative necessity of providing from federal sources a fair federal share of the funding necessary to accomplish the objectives which have been set forth in the historic educational statutes enacted during my tenure in the Senate of the United States.

INTRODUCTION

Mr. Chairman, as a member of the Senate class of 1958, I take deep pride in the role that I have had an opportunity to play, in

bringing into being these commitments of the national purpose to meet the educational needs of American citizens of all ages.

I know the high hopes we all entertained during the enactment of the Vocational Act of 1963 and of Higher Educational Facilities Construction Act.

I recall very well our floor debates in 1965 when the landmark education measures—the Elementary and Secondary Act, the Higher Education Act, and the International Act passed the Senate.

Our work on the Vocational Education Amendments of 1968, and the various extensions, improvement, clarification and expansion of these basic acts is still fresh in our memory. By these various measures, together with our colleagues in the House and the President of the United States, we have given a commitment of the nation's resources to this important area of our national life.

You have heard testimony, gentlemen, with respect to the need for the full funding of every educational statute on the books.

I would urge that you give heed to the voices that have been raised because I feel that the authorizations in these areas actually underestimate the needs that exist. The federal share ought to be more than the current 7% of an annual \$60 billion educational expenditure. The \$9 billion of authorized funding for education is a far cry from what we could and should in equity provide.

However, I know the pressure under which you must operate, and I realize that full funding is a goal that might not be reached this year. I hope, however, that we can come as close as possible to it.

FORWARD FUNDING

Mr. Chairman, as a beginning, I think it is beyond a doubt, that the floor of the Senate would support and accept, without decrease, the amounts for Office of Education programs now included in the bill you report. I present a table showing for the State of Indiana the effect of the House floor amendment.

The table referred to follows:

OBLIGATIONS IN THE STATE OF INDIANA

Program	Actual, 1968	Estimate, 1969	Estimate, 1970	Nixon estimate, 1970	House-passed appropriation bill
OFFICE OF EDUCATION					
Elementary and secondary education:					
Assistance for educationally deprived children (ESEA I):					
Basic grants.....	\$15,973,503	\$15,013,815	\$16,019,525	\$16,019,525	\$18,664,129
State administrative expenses.....	159,736	150,191	160,195	160,195	
Grants to States for school library materials (ESEA II).....	2,534,729	1,286,642	1,080,789	0	1,282,958
Supplementary educational centers and services (ESEA III).....	4,550,000	3,980,987	4,181,310	2,766,361	3,989,229
Strengthening State departments of education (ESEA V):					
Grants to States.....	\$540,191	\$664,602	\$655,566	\$655,566	\$655,566
Grants for special projects.....				0	0
Acquisition of equipment and minor remodeling (NDEA III):					
Grants to States.....	1,946,443	1,950,699		0	1,941,848
Loans to nonprofit private schools.....		46,524		0	0
State administration.....	49,541	48,185		0	48,281
Guidance, counseling, and testing (NDEA V).....	622,990	431,016	299,860	0	431,892
Subtotal, elementary and secondary education.....	26,377,133	23,572,661	22,397,245	19,601,647	27,013,903
School assistance in federally affected areas:					
Maintenance and operations (Public Law 81-874).....	4,217,000	4,391,000	2,491,000	982,000	4,974,000
Construction (Public Law 81-815).....		157,900		0	0
Subtotal, SAFA.....	4,217,000	4,548,900	2,491,000	982,000	4,974,000
Education professions development: Preschool, elementary, and secondary:					
Grants to States (EPDA B-2).....		349,257	477,138	477,183	477,183
Training programs (EPDA, pts. C and D).....	3,286,966				0
Subtotal, education professions development.....	3,286,966	349,257	477,138	477,183	477,183
Teacher Corps.....	507,039	244,449		0	0
Higher education:					
Program assistance:					
Strengthening developing institutions (HEA III).....	124,715			0	0
Colleges of agriculture and the mechanic arts (Bankhead-Jones).....	260,822	257,471	260,870	260,870	260,870
Undergraduate instructional equipment and other resources.....	363,716	360,578		0	0
Construction:					
Public community colleges and technical institutes (HEFA I, sec. 103).....	2,991,611	2,031,939	1,050,631	1,050,631	1,050,631
Other undergraduate facilities (HEFA I, sec. 104).....	4,606,774	3,386,105	2,213,649	0	844,564
Graduate facilities (HEFA II).....	714,815			0	0
State administration and planning (HEFA I, sec. 105).....	150,847	123,421	123,421	123,421	123,421

Footnotes at end of table.

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OBLIGATIONS IN THE STATE OF INDIANA—Continued

Program	Actual, 1968	Estimate, 1969	Estimate, 1970	Nixon estimate, 1970	House-passed appropriation bill
OFFICE OF EDUCATION—Continued					
Higher education—Continued					
Student aid:					
Educational opportunity grants (HEA IV-A).....	\$4,029,100	\$433,744	\$2,087,523	\$2,087,523	\$1,537,367
Direct loans (NDEA II).....	5,726,806	5,407,627	4,295,200	4,295,000	6,155,565
Insured loans:					
Advances for reserve funds.....		324,610		0	0
Interest payments.....				0	0
Work-study programs (HEA IV-C).....	2,041,745	3,352,294	3,511,927	3,512,652	3,512,652
Special programs for disadvantaged students: Talent search.....	57,000			0	0
Personnel development:					
College teacher fellowships (NDEA IV).....	3,028,800			0	0
Training programs (EPDA, pt. E).....	64,128			0	0
Subtotal, higher education.....	24,160,879	15,677,789	13,543,221	11,330,097	13,485,070
Vocational education:					
Basic grants.....	6,221,801	6,170,769	5,660,581	5,660,581	8,699,450
Innovation.....			261,231	261,231	261,231
Work-study.....	246,873			0	246,747
Cooperative education.....			285,876	285,876	285,876
Consumer and homemaking education.....			357,180	357,180	357,180
Subtotal, vocational education.....	6,468,674	6,170,769	6,564,868	6,564,868	9,850,484
Libraries and community services:					
Grants for public library services (LSCA I).....	861,433	861,433	861,433	412,777	861,433
Construction of public libraries (LSCA II).....	775,944	206,881	206,777	0	206,777
Interlibrary cooperation (LSCA III).....	43,487	44,128	44,128	44,128	44,128
State institutional library services (LSCA IV-A).....	38,000	39,509	39,509	39,509	39,509
Library services for physically handicapped (LSCA IV-B).....	23,750	25,359	25,359	25,359	25,356
College library resources (HEA II-A).....	498,929			0	0
Librarian training (HEA II-B).....	630,727			0	0
University community service programs (HEA I).....		207,111	207,110	207,110	207,110
Adult basic education (Adult Education Act):					
Grants to States.....	486,403	568,749	630,936	630,936	630,936
Special projects and teacher education.....	20,858			0	0
Educational broadcasting facilities.....				0	0
Subtotal, libraries and community services.....	3,379,531	1,953,170	2,015,252	1,359,819	2,015,252
Education for the handicapped:					
Preschool and school programs for the handicapped (ESEA VI).....	343,940	745,215	745,215	745,215	645,215
Teacher education and recruitment.....	463,072			0	0
Research and innovation.....	114,982	94,169		0	0
Media services and captioned films for the deaf.....	42,493			0	0
Subtotal, education for the handicapped.....	964,487	839,384	745,215	745,215	745,215
Research and training:					
Research and development:					
Educational laboratories.....				0	0
Research and development centers.....				0	0
General education.....	523,919	107,602		0	0
Vocational education.....	51,882	73,102	18,409	18,409	18,409
Evaluations.....				0	0
National achievement study.....				0	0
Dissemination.....				0	0
Training.....	146,557			0	0
Statistical surveys.....				0	0
Construction.....				0	0
Subtotal, research and training.....	722,358	180,704	18,409	18,409	18,409
Education in foreign languages and world affairs.....	697,910			0	0
Civil rights education.....	42,140	55,608		0	0
Colleges for agriculture and the mechanic arts (2d Morrill Act).....	50,000	50,000	50,000	50,000	50,000
Promotion of vocational education (Smith-Hughes Act).....	193,488	193,488			
Student insurance fund.....				0	0
Higher education facilities loan fund.....	9,474,000			0	0
Total, Office of Education.....	80,541,605	53,836,179	48,302,393	41,129,238	58,629,516

¹ Not available.

Mr. HARTKE. Mr. Chairman, secondly, authority exists in the substantive legislation for forwarding funding. I ask your permission to have inserted at this point in my presentation the citation granting the authority. I would urge you, therefore, for each program in H.R. 13111 that amounts be provided for fiscal year 1971.

I am fully aware that in certain circumstances the authorizing legislation has not yet been enacted but since in each case a measure extending the legislation has been passed by one body I believe that the authority may be exercised by adding to H.R. 13111 contingency language making the advance funding operative only upon the signature of the passed authorization measure or a similar measure.

The citation referred to follows:

"ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1967 (P.L. 90-247)

"Title IV—Provisions for Adequate Leadtime and for Planning and Evaluation in Elementary and Secondary Education Programs"

"Programs subject to this title"

"SEC. 401. The provisions of this title shall apply to any program for which the Commissioner of Education has responsibility for administration, either as provided by statute or by delegation pursuant to statute. Amendments to Acts authorizing such programs shall not affect the applicability of this title unless so specified by such amendments.

"(20 U.S.C. 1221) Enacted Jan. 2, 1968, P.L. 90-247, Title VI, sec. 401, 81 Stat. 814; amended Oct. 16, 1968, P.L. 90-576, Title III, sec. 301, Stat. 1094.

"Advance funding"

"SEC. 403. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Fed-

eral financial assistance for education, appropriations for grants, contracts, or other payments under any Act referred to in section 401 are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under any such Act will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

"(20 U.S.C. 1223) Enacted Jan. 2, 1968, P.L. 90-247, Title IV, sec. 403, 81 Stat. 814."

Mr. HARTKE. The need for forward funding is self-evident. The essential ingredient of every operation of a business nature is a relative certainty of the receipt of the financing required to carry it on. School budgets

must be approved, in the overwhelming majority of cases by those charged with that authority, in the early spring of the school year for operations commencing the following September. Higher education when supported by State budgeting reflects the action of the appropriations processes in the State legislatures and an even longer time element is involved. It has been necessary to finance educational programs through the medium of a continuing resolution already extended once and soon to be extended again. I hasten to assure the Subcommittee that I understand the reasons underlying and the necessity that impelled the delay, but I am also very much aware that our understanding is not shared by all the people. They feel that the federal Government is not living up to the implied commitments of the authorizing legislation and the democratic process.

We should not allow this situation in another year to recur. The best guarantee that we can give that it will not recur will be to report and pass H.R. 13111 with dollar figures

for fiscal 1971 added for each of the programs.

CARRYOVER PROVISIONS

I would urge also that the Committee give the fullest consideration to providing language in the bill for the Office of Education programs permitting the sums appropriated to remain available for expenditure until actually expended. If this authority is provided, in my judgment there will be economies and efficiencies made possible, which without this provision, could be lost.

To illustrate let me point out that certain programs such as direct loans under Title II of the National Defense Education Act are predicated upon the amounts available to the institutions of higher education through a process which involves a number of panel reviews designed to assure that the money goes only to the neediest of students in an amount which covers his needs in spartan fashion. Funds up to now have been inadequate. This inadequacy may be demonstrated by a review of the data to be found in a table

reproduced from page 94 of a committee print issued by the Senate Committee on Labor and Public Welfare under date of June 1969. The table sets forth for each of the institutions for higher education in my state the dollar amounts approved by a panel of evaluators on student needs, contrasting those amounts to the amounts actually available for allocation to each institution for the year in question.

Purdue University, for example, reported student needs for fiscal year 1969 at an aggregate amount of \$1,196,100. Yet for fiscal 1969 Purdue University received for its students only the sum of \$753,791.

In 1970 the faculty panel reported a student need of \$1,012,500, but under the Nixon budget only \$454,561 would have been made available to meet this need.

Mr. Chairman, I ask your consent that tables containing the information for each of the institutions in my State for the two years appear at this point in my remarks.

The tables referred to follow:

INDIANA

FISCAL YEAR 1969

Congressional district	Institution	City and State	Panel approved amount	Allocation	Congressional district	Institution	City and State	Panel approved amount	Allocation
2	Purdue University	Lafayette, Ind.	\$1,196,100	\$753,791	6	Marian College, Indianapolis	Indianapolis, Ind.	\$33,750	\$21,274
2	St. Josephs College	Rensselaer, Ind.	56,700	35,733	7	Indiana State University	Terre Haute, Ind.	303,750	191,425
2	Valparaiso University	Valparaiso, Ind.	533,700	336,341	7	Indiana University	Bloomington, Ind.	3,190,500	2,010,677
3	Bethel College, Inc.	Mishawaka, Ind.	58,860	37,094	7	Rose Polytechnic Institute	Terre Haute, Ind.	111,150	70,047
3	Goshen College	Goshen, Ind.	140,085	88,283	7	St. Mary of the Woods College	St. Mary of the Woods, Ind.	11,909	7,505
3	Grace Theological Seminary and College	Winona Lake, Ind.	53,100	33,464	8	Indiana State University, Evansville campus	Evansville, Ind.	(¹)	(¹)
3	St. Mary's College	Notre Dame, Ind.	54,900	34,598	8	ITT Business Institute	do	(¹)	(¹)
3	University of Notre Dame	do	461,700	290,967	8	Oakland City College	Oakland City, Ind.	42,637	26,870
4	Fort Wayne Bible College	Fort Wayne, Ind.	34,515	21,752	8	St. Benedict College	Ferdinand, Ind.	37,260	23,481
4	Huntington College	Huntington, Ind.	69,098	43,546	8	University of Evansville	Evansville, Ind.	209,880	132,268
4	Indiana Institute of Technology	Fort Wayne, Ind.	108,000	68,062	8	Vincennes University	Vincennes, Ind.	161,100	101,526
4	Sams Technical Institute	do	(¹)	(¹)	10	Anderson College	Anderson, Ind.	254,610	160,457
4	St. Francis College	do	54,367	34,262	10	Ball State University	Muncie, Ind.	706,500	445,242
5	Manchester College	North Manchester, Ind.	94,500	59,555	10	Earlham College	Richmond, Ind.	97,200	61,256
5	Marion College, Marion	Marion, Ind.	117,615	74,122	11	Porter College, Inc.	Indianapolis, Ind.	(¹)	(¹)
5	Taylor University	Upland, Ind.	243,437	153,416	11	Sams Technical Institute	Evansville, Ind.	(¹)	(¹)
6	Christian Theological Seminary	Indianapolis, Ind.	21,285	13,414	do	do	Indianapolis, Ind.	(¹)	(¹)
6	Frankfort Pilgrim College	Frankfort, Ind.	4,320	2,722	do	South Bend College of Commerce	South Bend, Ind.	(¹)	(¹)
6	Franklin College	Franklin, Ind.	63,000	39,703					
6	Indiana Central College	Indianapolis, Ind.	69,120	43,560					

FISCAL YEAR 1970²

1	St. Josephs College, Calumet campus	East Chicago, Ind.	\$136,620	\$61,335	6	Frankfort Pilgrim College	Frankfort, Ind.	(¹)	(¹)
2	Purdue University	Lafayette, Ind.	1,012,500	454,561	6	Franklin College	Franklin, Ind.	\$75,150	\$33,739
2	St. Josephs College	Rensselaer, Ind.	64,611	29,007	6	Indiana Central College	Indianapolis, Ind.	63,112	28,334
2	Valparaiso University	Valparaiso, Ind.	573,000	257,248	6	Marian College, Indianapolis	do	68,272	30,652
3	Bethel College, Inc.	Mishawaka, Ind.	65,700	29,497	7	DePauw University	Greencastle, Ind.	315,000	141,419
3	Goshen College	Goshen, Ind.	131,085	58,850	7	Indiana State University	Terre Haute, Ind.	447,300	200,815
3	Grace Theological Seminary & College	Winona Lake, Ind.	58,680	26,344	7	Indiana University	Bloomington, Ind.	3,169,800	1,423,079
3	St. Marys College	Notre Dame, Ind.	25,814	11,589	7	Rose Polytechnic Institute	Terre Haute, Ind.	100,800	45,254
3	University of Notre Dame	do	594,900	267,080	7	St. Mary of the Woods College	St. Mary of the Woods, Ind.	16,769	7,528
4	Fort Wayne Bible College	Fort Wayne, Ind.	41,850	18,788	8	Indiana State University, Evansville campus	Evansville, Ind.	90,000	40,405
4	Huntington College	Huntington, Ind.	65,403	29,363	8	Oakland City College	Oakland City, Ind.	44,000	19,754
4	Indiana Institute of Technology	Fort Wayne, Ind.	74,921	33,636	8	St. Benedict College	Ferdinand, Ind.	31,194	14,004
4	St. Francis College	do	45,500	20,427	8	University of Evansville	Evansville, Ind.	216,000	96,973
5	Manchester College	North Manchester, Ind.	164,250	73,740	8	Vincennes University	Vincennes, Ind.	151,200	67,881
5	Marion College, Marion	Marion, Ind.	128,492	57,696	10	Anderson College	Anderson, Ind.	219,600	98,589
5	Taylor University	Upland, Ind.	257,985	115,822	10	Ball State University	Muncie, Ind.	1,058,940	475,410
6	Christian Theological Seminary	Indianapolis, Ind.	33,942	15,238	10	Earlham College	Richmond, Ind.	67,995	30,527

¹ Not available.

² Allocation estimated.

Mr. HARTKE. Mr. Chairman, I have cited at some length, this material for two reasons. First, with respect to student assistance programs in general and NDEA loans in particular, my belief is that funding levels should be in excess of the amounts carried in the House bill of \$159.6 million for educational opportunity grants and \$154 million for college work study and \$229 million for Title II loans. I urge that for Title II loans \$275 million be allocated as a minimum, \$175 million, as a minimum, for work study with \$234 million as a minimum being appropriated for educational opportunity grants for

fiscal year 1970, and that for fiscal year 1971, the amounts be raised to \$359 million for educational opportunity grants, \$250 million for work study and \$375 million for NDEA direct loans.

My second reason for raising this, in the context of carry-over provisions, is that adoption of such language would provide a cushion to student loan officers in meeting adequately the needs of students entering next September.

It has been reported to me by responsible members of the educational community that had there been available \$275 million NDEA

Title II loans last September all of it could have been committed to the students who need it.

The sad truth of the matter is that a large number of young people last September were denied an educational opportunity for which they were qualified and prepared, solely because they did not have, nor could they obtain, the money needed to attend. Failure to obtain money for school in September meant that they did not apply for further loans in the winter and spring quarters. Therefore, if this year we should appropriate more than could be used in the second half of the fiscal

year, unless a carry-over provision language is provided, that money would revert to the Treasury. I would wish that it could be placed to greater advantage, in the hands of the student loan officials to supplement the funds made available for 1971, thus encouraging youngsters to apply to the college of their choice next fall. Many more would apply if they knew they would not be denied because of insufficient funds.

WORK-STUDY

Mr. Chairman, in this context I would urge that you and your colleagues on the Subcommittee replace the percentage amount allocated in the House bill—which earmarks one percent of the work study financing for cooperative education—with a dollar figure equivalent to that one percent. I believe there is a need for both programs, College Work Study and Cooperative Education. I do not believe we should rob Peter/College Work Study to educate Cooperative Education/Paul.

\$1,000,750, which is what one percent of the work study funds would aggregate, is not a large item to add to the budget nor is the \$2.5 million which is what I would recommend for fiscal 1971.

Based upon my own experience in listening to the highly-experienced educational and business authorities in the field, I am persuaded that cooperative education is an excellent approach to meeting, not only the needs of the students and the institutions they attend, but also the demands of society for trained and competent work performance. A little seed money in this Cooperative Education area will generate income which will permit participating students to finance their own education while at the same time contributing valuable services to the business and industrial communities.

I know that the Cooperative Education proposals, wherever they have been activated, have enjoyed the solid support of all who have participated in bringing them into being. I am confident that by starting to fund Cooperative Education now, on a very low capital investment basis, the system will engender tremendous support, effect economies, and lead to better job performance in the early years following completion of collegiate learning than now is possible.

Mr. Chairman, I applaud the action of the House in providing Vocational Education Act authorities funding of \$14 million for cooperative education, even though this is less than half of the \$45 million authorization. I would urge this figure for this program be increased by you and your colleagues, if only by a token amount, to demonstrate the continuing support that the Senate has given to this type of vocational education.

ADULT EDUCATION

Mr. Chairman, Public Law 89-750 Elementary and Secondary Education Amendments of 1966 contained as Title II, the Adult Education Act of 1966. I am very proud that I was able in that year, and in 1968 in connection with the enactment of Public Law 90-247, to play a leading role in support of enactment. I did so because of my conviction that the educational process has no necessary terminal date; that it can be engaged in by citizens of every age; and because of my strong persuasion that for those whose education was untimely terminated, avenues ought to be opened to provide, at least the equivalent of an eighth grade proficiency, and, almost as desirable, an educational capability of at least high school equivalency.

Without the basic skills of literacy and elementary arithmetic, it is almost impossible

for a citizen to function with profit to himself and his community.

In very blunt terms, unless an individual can read and write, and understand what he is reading, he is unable to get a driver's license, and there are very few occupations that do not require this qualification.

The fact of the matter is that there are literally millions of adults who do not possess these basic proficiencies and thus are unable to function effectively as income producing members of our communities throughout the nation to the degree that their native talents and abilities would permit.

If I am correctly advised, of the 900,000 GI's being returned to civilian life each year, 20% of them, or 180,000, have less than an 11th grade education. 49% of those who come from the urban areas, and 40% of those who come from the non-urban areas, have high school education only. In my judgment data from the Veterans' Administration, if it were made available, would show that despite the educational programs given in the armed services, there still will be found in this group more than tens of thousands of American citizens returning to civil life with barely grade school proficiency, if this, in these essential skills.

Adult basic education has an eighty million dollar authorization for fiscal year 1970. It has a fifty million dollar funding authority in H.R. 13111. Last year it received an appropriation of forty-five million dollars. Offices of Education recommendations in the earlier budgetary history show that in the professional judgment of that agency at least \$53,500,000 could have been expended usefully. Broken down into the separate category this would provide: \$48.8 million for grants to the states; \$8.2 million for special projects; and, \$2.5 million for teacher education. By the time the recommendations reached the Hill, \$2.8 million had been removed from grants to the states, \$200,000 had been deleted from special projects; and \$500,000 had been removed from teacher education.

I urge upon the Subcommittee funding, at least at the level that reflects the professional advice of the Office of Education. The success of this program to date may be found in the testimony of Assistant Commissioner Venn who stated on page 673 of the House Hearings, and I quote:

"I believe that the results we have had over the last three years indicate that developing basic school skills in these people makes them more employable. We have even had one who has gone on from a literacy program to a baccalaureate degree. Many of these people become eligible to be trained and do get trained. Then they become employed and put tax money into the economy of the nation. This program has had very great success in doing this.

"I think it is for this reason it did have this very, very slight expansion, although still far below what the Congress authorized."

I would also call to your attention the comment made by Congressman Shriver on page 679 of the House Hearings: "On page 5 of your statement you say you have reached 7% of the target group of the adult basic education program in five years. It is going to take a long time to fulfill the purposes, is it not, of this program."

Mr. Chairman, we are talking about 24,463,000 American adults, sixteen years and older, with less than eight years of formal schooling in the nation. Since this program started we have reached about 1.7 million or 7% of this target group. H.R. 13111 levels of funding will permit services to 533 thousand adult illiterates to enable them to enter into the economic, civic and social life of their

communities to qualify for job training and skill development because they can now read.

We ought to be aiming at least double these numbers if we wish to make an impact on this group in time to realize the potential dividends of this kind of capital investment in our basic natural resources—the minds and bodies of our citizens. I have cited to you the Office of Education estimates of need, but I think the magnitude of the problem is such, and the importance of it is such, that far greater emphasis is warranted than has yet been placed upon this program.

PUBLIC LAW 815 FUNDING

Mr. Chairman, I would be remiss to the school districts in my State, were I to fail to call to your attention the backlog of approved P.L. 815 applications still awaiting the appropriation of money to meet the commitments made by that Act.

I am indebted to the Education Subcommittee of the Senate, under the Chairmanship of our distinguished colleague from Rhode Island, Mr. Pell, for having in the Elementary and Secondary Education Amendments of 1969 hearing record on pages 201 through 206 set forth on a state by state basis the degree to which we have fallen short. I ask your permission to have this material appear at this point in my statement:

The materials referred to follow:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION,

Washington, D.C., August 29, 1969.

HON. CLAIBORNE PELL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PELL: Pursuant to the recent telephone request from Mr. Dick Smith of your staff, I am enclosing three lists which were prepared in July, and which show unfunded Public Law 81-815 applications filed in fiscal years 1967, 1968, and 1969.

The amounts shown on List I are relatively firm, subject to possible adjustment should considerable time elapse before funds are available and current data at such time indicate a marked decrease in federally connected membership. Three projects are checked which involve section 14 funds. The amounts of grants shown for these projects are subject to increase when costs are known.

List II includes applications some of which have been finally processed and some only tentatively processed for estimated entitlements, based on data in the applications. As a result of adjustments since the list was prepared, the total of List II as of August would be \$35,586,642.

Applications on List III, which were filed for the June 25, 1969 cutoff date, have not been reviewed for completeness or tentative entitlement. As noted on the list, the amounts shown represent funds requested by the applicant school district. School districts request funds based on their estimates of the amount of funds for which the district will qualify. Based on past experience, when the applications are processed, the total requirements usually firm-up to approximately 75 percent of the total of the funds requested. The changes noted on List III increase the total of funds requested in applications filed during fiscal year 1969 to \$142,335,840. This is anticipated to firm-up to a total of approximately \$106.7 million.

If we can be of further assistance, please let us know.

Sincerely yours,

GERALD M. CHERRY,
Director, School Assistance in Federally
Affected Areas.

REMAINING UNFUNDED PUBLIC LAW 815 APPLICATIONS FILED IN FISCAL YEAR 1967

Application No.	Name of applicant school district	Congressional district	Public Law 815 grants ¹	Application No.	Name of applicant school district	Congressional district	Public Law 815 grants ¹
Ala-67-C-1	Huntsville City Board of Education	8	\$558,600	N.J-67-C-1402	Cherry Hill Township Public Schools	1 and 6	\$400,000
Alaska-67-C-1402	Greater Juneau Borough School District, Juneau	AL	118,720	N. Mex-67-C-12	Las Cruces School District No. 2	2	266,750
Ariz-68-C-413	Alchey School District No. 30, White River	3	225,000	N.Y-67-C-409	Common S.D. No. 2, Towns of Blooming Grove, et al.	27	39,537
Ariz-68-C-1102	Rice School District No. 20, San Carlos	3	225,532	N.Y-67-C-1501	Union Free S.D. No. 3, Twn. of Brookhaven	1	159,390
Calif-67-C-37	Coronado Unified School District	36	51,414	N. Dak-67-C-501	Grand Forks Public S.D. No. 1	1	250,000
Calif-67-C-42	Seeley Union School District	38	6,396	Ohio-67-C-15	Mad River Township Local School District, Dayton	3	181,697
Calif-67-C-47	Victor Valley Jr. U.H.S.D., Victorville	33	69,700	Ohio-67-C-1103	Heath City School District	17	27,930
Calif-67-C-57	Chula Vista City School District	37	91,020	R.I.-67-C-2	Town of N. Kingstown Sch. Dept.	2	33,440
Calif-67-C-405	Folsom Cordova Jr. Unif. S.D.	4	200,900	S. Car-67-C-401	Berkeley Co. S.D., Moncks Corner	2	82,792
Calif-67-C-804	Milpitas I.S.D.	9	50,000	Tenn-67-C-13	Rutherford Co. Sch. Commission, Murfreesboro	7	79,800
Calif-67-C-1111	Riverdale Jr. Union School District	16	27,060	Tex-67-C-80	Burleson I.S.D.	6	54,500
Calif-67-C-1203	Apple Valley School District	33 and 38	9,840	Tex-67-C-414	Denison Independent S.D.	4	200,000
Calif-67-C-1304	Manteca Unified School District	15	206,000	Tex-67-C-504	North East Independent S.D., San Antonio	20, 21, 23	389,532
Calif-67-C-1409	Buckeye Union Elementary School District, El Dorado Hills	2	10,660	Tex-67-C-509	Pottsville Common S.D.	4	6,376
Calif-67-C-1513	Sylvan Union S.D., Modesto	15	90,200	Utah-67-C-1	Board of Education of Tooele Co., Tooele	2	32,945
Calif-67-C-1514	Walnut School District	17, 19, 20-32	67,240	Va-67-C-3	Fairfax Co. Sch. Bd., Fairfax	8 and 10	3,000,000
Conn-67-C-604	Town of Monroe School District	5	87,360	Va-67-C-5	County School Board, York	1	1,258,266
Kans-67-C-803	Valley View Common S.D. No. 49, Overland Park	3	69,600	Va-67-C-501	City of Newport News School Board	1	1,498,540
Ky-67-C-4	Hardin County Board of Education, Elizabethtown	2	135,660	Wash-68-C-4	Clover Park School District No. 400	6	110,763
Md-67-C-1	Board of Education of Harford County, Bel Air	2	413,600	Wash-67-C-34	Central Kitsap S.D. No. 401, Silverdale	1 and 6	15,700
Md-67-C-8	Board of Education of Prince Georges County, Upper Marlboro	5	2,980,536	Wash-67-C-1202	Waitsburg Jr. S.D. No. 401-100	4	28,772
Mo-67-C-1502	School District of Marshall	4	56,115	Wash-67-C-1301	Dayton School District No. 2	4	14,127,983
Mo-67-C-1504	Lexington Reorganized S.D. R-U	4	23,220				
N.J-67-C-1201	Board of Education Evesham Township, Marlton	6	67,890				

¹ Subject to adjustment when funds become available for tentative reservation.² Estimated grant—processing not final.

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE JUNE 24, 1968, CUTOFF DATE

Application No.	Name of applicant school district	Congressional district	Public Law 815 grants
Ala-68-C-11	Enterprise City Bd. of Ed.	3	\$140,000
Alaska-68-C-5	Anchorage I.S.D.	AL	1,100,800
Alaska-69-C-1001	Kake School District	AL	64,500
Ariz-68-C-10	Avondale School District No. 44	2	86,818
Ariz-69-C-16	Yuma Co. S.D. No. 27, Parker	2	97,897
Ariz-68-C-202	Tempe Elementary School District No. 3	1	454,857
Ariz-68-C-501	Sierra Vista C.S.D. No. 68	2	89,380
Ariz-69-C-501	do	2	30,960
Ariz-68-C-507	Sunnyside H.S.D. No. 12, Tucson	2	59,677
Ariz-69-C-507	do	2	40,635
Ariz-68-C-701	Buena H.S.D. No. 40, Siemima Vista	2	8,175
Ariz-69-C-701	do	2	38,700
Ariz-69-C-805	Union E.S.D. No. 62, Tolleson	3	12,706
Ariz-68-C-1403	Sacaton E.S.D. No. 18	2	4,905
Calif-68-C-9	Vallejo Unif. S.D.	4	333,667
Calif-69-C-15	Moreno Valley Unif. S.D., Sunnymead	38	420,492
Calif-68-C-34	Oceanside U.S.D.	35	17,478
Calif-69-C-34	do	35	127,836
Calif-68-C-37	Coronado Unif. S.D.	36	50,359
Calif-69-C-40	Barstow Unif. S.D.	33	1,198,261
Calif-68-C-45	S. Bay U.S.D., Imperial Beach	37	65,835
Calif-69-C-45	do	37	693,148
Calif-68-C-47	Victor Valley Jr. U.H.S.D., Victorville	33	250,000
Calif-69-C-47	do	33	46,230
Calif-68-C-57	Chula Vista City Unif. S.D.	37	242,820
Calif-69-C-57	do	37	402,000
Calif-68-C-58	San Diego Unif. S.D.	35, 36, and 37	1,569,572
Calif-68-C-61	Vista Unif. S.D.	35	74,385
Calif-68-C-203	Oceanside-Carlsbad U.H.S.D.	35	87,979
Calif-69-C-203	do	35	145,825
Calif-68-C-234	Long Beach Unif. S.D.	32 and 34	410,542
Calif-69-C-234	Livermore Valley Jr. Unif. S.D.	8	636,975
Calif-69-C-246	San Francisco Unif. S.D.	8	376,875
Calif-69-C-246	do	5 and 6	1,396,311
Calif-69-C-405	Folsom-Cordova Jr. Unif. S.D.	4	241,000
Calif-69-C-406	Morongo Unif. S.C., Twentynine Palms	33 and 38	601,291
Calif-68-C-608	Poway Unif. S.D.	35	18,810
Calif-69-C-608	do	35	93,465
Calif-69-C-635	Travis Unif. S.D., Travis A.F.B.	4	381,900
Calif-68-C-707	Center Jr. S.D., N. Highlands	2	215,952
Calif-69-C-1101	Oceanside-Carlsbad Jr. Col.	35	57,888
Calif-68-C-1403	Marysville Unif. S.D.	4	336,186
Calif-69-C-1411	Napa Jr. Col. Dist.	7	75,375
Calif-68-C-1516	Fountain Valley S.D., Fountain Valley	35	88,065
Calif-68-C-1602	Arena U.E.S.D., Point Arena	1	35,739
Calif-68-C-1603	Stony Creek Jr. Unif. S.D., Elk Creek	4	57,370
Calif-68-C-1604	Escalon Unif. S.D.	15	116,280
Calif-68-C-1605	Needles Unif. S.D., Needles	33	46,170
Calif-68-C-1606	Petaluma City E.S.D.	1	149,625
Calif-68-C-1607	Petaluma City H.S.D.	1	192,888
Colo-69-C-3	Colorado Springs S.D. No. 11	3	342,930
Colo-69-C-12	Harrison S.D. No. 2, Colorado Springs	3	287,730
Colo-68-C-505	El Paso Co. S.D. No. 3, Security	3	53,550
Conn-68-C-3	Town of Groton S.D.	2	241,490
Conn-69-C-3	do	2	307,458
Conn-68-C-406	Town of Ledyard S.D.	2	52,000
Fla-68-C-5	Clay Co. Bd of Pub. Instr., Green Cove Springs	2	183,184
Hawaii-68-C-201	Hawaii State Dept. of Education	AL	834,813
Hawaii-69-C-201	do	AL	2,090,684
Ill-69-C-1	Mascoutah Comm. Cons. S.D. No. 10	24	74,128
Ill-68-C-8	O'Fallon Twp. H.S.D. No. 203	24	15,510
Ill-69-C-8	do	24	19,890
Ill-69-C-13	N. Chicago E.S.D. No. 64	12	100,291

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE JUNE 24, 1968, CUTOFF DATE—Continued

Application No.	Name of applicant school district	Congressional district	Public Law 815 grants
Ill-69-C-601	Mascoutah Comm. H.S.D. No. 18	24	\$163,863
Ill-68-C-1505	New Lenox S.D. No. 122	17	19,740
Ill-69-C-1506	Elem. S.D. No. 114, Manhattan	14 and 17	21,420
Ill-69-C-1601	Bradley-Bourbonnais Comm. H.S., Bradley	17	40,000
Ill-68-C-1602	Homer Comm. Cons. S.D. 33-C	14 and 17	16,215
Ill-68-C-1603	Joliet Twp. H.S.D. No. 204	14 and 17	305,688
Ill-69-C-1701	Valley View E.S.D. No. 96, Romeoville	14	229,500
Ill-69-C-1702	Custer Park S.D. 44C	14 and 17	22,185
Ill-69-C-1703	Braceville E.S.D. No. 75	15	41,310
Ill-69-C-1704	U.S.D. No. 81, Joliet	14 and 17	54,315
Iowa-68-C-203	Burlington Comm. S.D.	1	151,528
Iowa-68-C-1101	Lewis Central Comm. S.D. Council Bluffs	7	18,995
Iowa-69-C-1701	Comm. S.D. of South Tama Co., Tama	4	147,070
Kans-68-C-3	Derby Unif. S.D. No. 260	5	14,880
Kans-69-C-3	do	5	838,295
Kans-69-C-1501	Unif. S.D. No. 449, Easton	2	27,470
Kans-68-C-1602	Cons. Unif. S.D. No. 101, Erie	5	113,460
Kans-68-C-1603	Unif. S.D. No. 247, Cherokee	5	13,020
Minn-68-C-5	Circle Pines I.S.D. No. 12	3	191,595
Minn-69-C-403	I.S.D. No. 707, Nett Lake	8	40,673
Minn-68-C-1601	I.S.D. No. 15, St. Francis	3	94,500
Miss-68-C-2	Biloxi Mun. Sep. S.D.	5	166,582
Miss-68-C-202	Long Beach Mun. Sep. S.D.	5	77,700
Mo-68-C-3	Center S.D. No. 58, Kansas City	4 and 5	150,750
Mo-68-C-11	Cons. H.S.D. No. 4, Grandview	4	200,000
Mo-68-C-213	Cons. S.D. No. 1, Hickman Mills	4 and 5	135,430
Mo-68-C-407	Excelsior Springs S.D. No. 40	6	16,750
Mo-68-C-1505	Hazelwood S.D.	2	148,740
Mo-68-C-1601	Fort Zumwalt S.D.	2	83,700
Mont-69-C-8	Harlem E.S.D. No. 12	2	363,185
Mont-69-C-15	Blaine Co. S.D. No. 50, Hays	2	118,175
Mont-68-C-404	Lodge Grass S.D. No. 27	2	1,225
Mont-68-C-405	Heart Butte S.D. No. 1	1	207,166
Mont-68-C-1601	Lodge Grass H.S.D. No. 2	2	450,000
Nebr-69-C-1	S.D. of the City of Bellevue	2	928,999
Nebr-68-C-7	S.D. No. 2 of Grand Island	3	273,240
Nev-69-C-404	Humboldt Co. S.D., Winnemucca	Al	172,956
Nev-68-C-603	Clark Co. S.D., Las Vegas	Al	809,396
Nev-69-C-603	do	Al	1,096,240
Nev-69-C-605	Mineral Co. S.D., Hawthorne	Al	51,830
Nev-69-C-701	Elko Co. S.D., Elko	Al	299,565
NJ-68-C-202	Bd. of Ed., Twp. of Ocean, Ashbury Park	3	170,000
NJ-68-C-1103	Lenape Reg. H.S.D., Medford	6	105,000
NJ-68-C-1501	Washington Twp. Pub. Schs., Sewell	1	74,690
NJ-68-C-1601	Shore Reg. H.S.D., West Long Beach	3	63,875
N. Mex-69-C-1	Alamogordo Mun. S.D. No. 1	2	971,608
N. Mex-69-C-12	Las Cruces S.D. No. 2	2	141,520
N. Mex-69-C-402	Gallup-McKinley Co. S.D. No. 1, Gallup	2	744,810
N. Mex-69-C-406	Grants Mun. S.D. No. 3	3	331,596
N. Mex-69-C-513	Cuba Ind. Rural Schools	1	271,755
N. Mex-69-C-603	Los Lunas Cons. Sch.	2	192,516
N. Car-68-C-1	Craven Co. Bd. of Ed., New Bern	1	130,455
N. Car-68-C-501	Wayne Co. Bd. of Ed., Goldsboro	2	156,780
Ohio-68-C-9	Mad River-Green Local S.D., Springfield	7	81,600
Ohio-68-C-508	Pickerington Local S.D.	10	44,880
Okla-68-C-13	Moore I.S.D. No. 2	4	53,845
Okla-69-C-13	do	4	79,335
Okla-69-C-701	Saskawia I.S.D. No. 10	3	20,751
R.I.-69-C-2	Town of North Kingstown Sch. Dept.	2	350,000
S. Car-68-C-1	Summersville S.D. No. 2	1	132,810
S. Dak-68-C-502	East Charles Mix S.D. No. 102, Wagner	2	85,800
Tex-69-C-2	Ysleta S.D.	16	359,900
Tex-69-C-49	Flour Bluff I.S.D., Corpus Christi	14	348,041
Tex-68-C-61	Del Valle I.S.D. No. 910	10	169,344

PUBLIC LAW 815—1968 AND 1969 APPLICATIONS FILED FOR THE
JUNE 24, 1968, CUTOFF DATE—Continued

Application No.	Name of applicant school district	Congressional district	Public Law 815 grants
Tex-69-C-213	Burk Burnett I.S.D.	13	\$503,565
Tex-69-C-504	Northeast I.S.D., San Antonio	20, 21, and 23	749,890
Tex-68-C-1502	Crowley I.S.D.	6 and 12	30,240
Utah-68-C-1401	Duchesne Co. S.D.	1	110,038
Va-68-C-5	County Sch. Bd. of York Co.	1	133,931
Va-68-C-12	Prince George Co. Sch. Bd.	4	99,085
Va-68-C-17	Prince William Co. Sch. Bd., Manassas	8	500,745
Wash-69-C-1101	Collee Dam S.D. No. 401	5	130,200
Wash-69-C-1203	Pomeroy Pub. S.D. No. 110	4	136,920
Wash-69-C-1701	Grand Coulee S.D. No. 55-201-2051	4	229,236
Wyo-69-C-403	Mill Creek S.D. No. 14, Lander	AL	42,000
Wyo-68-C-1601	S.D. No. 6, Lyman	AL	82,302
Grand total (139 school districts)			35,586,642

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969,
CUTOFF DATE

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

Application No.	Name of applicant school district	Congressional district	Public Law 815 funds (applicant's request)
Ala-69-C-11	Enterprise City Bd. of Ed.	3	\$250,000
Alaska-69-C-1	Kodiak Island	AL	507,530
Alaska-69-C-1401	Fairbanks-North Star Brough S.D., Fairbanks	AL	4,749,197
Ariz-70-C-4	Sunnyside E.S.D. No. 12, Tucson	2	128,250
Ariz-70-C-25	S.D. No. 1, Tucson	2	276,100
Ariz-70-C-201	Yuma Co. S.D. No. 1, Yuma	2	845,400
Ariz-70-C-413	Alchey H.S.D., Whiteriver	3	263,152
Ariz-70-C-414	Tuba City E.S.D. No. 15	3	2,243,926
Ariz-70-C-507	Sunnyside H.S.D. No. 12, Tucson	2	250,000
Ariz-70-C-517	Indian Oasis S.D. No. 40, Sells	2	2,296,800
Ariz-70-C-607	Kayenta E.S.D. No. 27	3	1,037,000
Ariz-70-C-702	Tuba City H.S.D.	3	4,006,194
Ariz-70-C-805	U.E.S.D. No. 62, Tolleson	3	102,000
Ariz-70-C-902	Whiteriver E.S.D. No. 20	3	298,002
Ariz-70-C-1403	Sacaton C.S.D. No. 18	2	575,000
Ark-69-C-1201	Ashdown S.D. No. 31	2	574,900
Calif-69-C-19	Muroc Unif. S.D., North Edwards	18 and 27	217,131
Calif-70-C-40	Barstow Unif. S.D.	33	1,650,000
Calif-69-C-42	Seeley U.S.D.	38	160,000
Calif-70-C-45	South Bay U.S.D., Imperial Beach	37	1,698,330
Calif-70-C-47	Victor Valley Jr. U.H.S.D., Victorville	33	819,712
Calif-70-C-57	Chula Vista City S.D.	37	830,000
Calif-70-C-58	San Diego Unif. S.D.	35, 36, and 37	1,766,757
Calif-69-C-63	Oxnard S.D.	13	610,163
Calif-70-C-227	Adelanto S.D.	33 and 38	1,401,962
Calif-70-C-234	Livermore Valley Jr. Unif. S.D.	8	2,545,198
Calif-70-C-246	San Francisco Unif. S.D.	5 and 6	8,412,554
Calif-69-C-401	Wheatland E.S.D.	4	1,253,020
Calif-70-C-401	do	4	1,329,406
Calif-70-C-406	Morongo Unif. S.D., Twentynine Palms	33 and 38	929,000
Calif-70-C-511	Roseville Jr. U.H.S.D.	2	420,000
Calif-70-C-623	Ocean View S.D., Oxnard	13	300,000
Calif-70-C-635	Travis Unif. S.D., Travis AFB	4	499,700
Calif-70-C-702	Central U.E.S.D., Lemoore	12	1,041,764
Calif-69-C-811	Wheatland U.H.S.D.	4	1,085,400
Calif-70-C-811	do	4	1,085,400
Calif-70-C-815	Lemoore U.H.S.D.	12	154,809
Calif-69-C-1403	Marysville Jr. Unif. S.D.	4	324,210
Calif-70-C-1403	do	4	237,180
Calif-69-C-1502	Washington U.S.D., Salinas	12	41,000
Calif-69-C-1516	Fountain Valley S.D.	35	1,501,120
Calif-69-C-1605	Needles Unif. S.D.	33	67,000
Calif-69-C-1606	Petaluma City S.D.	1	112,000
Calif-69-C-1702	Kern Jr. College Dist., Bakersfield	18	1,000,000
Calif-70-C-1801	China Lake Jr. S.D.	18 and 27	876,000
Colo-70-C-3	S.D. No. 11, Colorado Springs	3	1,160,000
Colo-70-C-12	Harrison S.D. No. 2, Colorado Springs	3	567,700
Colo-70-C-505	El Paso Co. S.D. No. 3, Security	3	1,000,000
Colo-69-C-505	do	3	700,000
Colo-70-C-603	Air Force Academy S.D. No. 20	3	442,275
Colo-69-C-1701	Summit S.D. RE-1, Frisco	4	200,000
Del-69-C-1701	Magnolia S.D. No. 50	AL	150,000
Fla-70-C-1	Brevard Co. Bd. of Ed., Titusville	4 and 5	2,182,228
Fla-69-C-3	Bay Co. Bd. of Ed., Panama City	1	1,680,000
Fla-70-C-4	Santa Rosa Co. Bd. of Pub. Instr., Milton	1	500,990
Fla-69-C-5	Clay Co. Sch. Bd., Green Cove Springs	2	550,000
Fla-70-C-7	Okaloosa Co. Bd. of Pub. Instr., Crestview	2	2,330,000
Fla-69-C-11	Cobb Co. Bd. of Ed., Marietta	7	1,010,000
Hawaii-70-C-201	Hawaii State Dept. of Ed.	AL	5,126,400
Idaho-70-C-201	S.D. No. 193, Mountain Home	1	613,000
Ill-70-C-1	Community Cons. S.D. No. 10, Mascoutah	24	500,000
Ill-69-C-3	Savanna Community Unit S.D. No. 300	16	99,750
Ill-69-C-4	O'Fallon Community Cons. S.D. No. 90	24	300,000
Ill-70-C-8	O'Fallon Twp. H.S.D. No. 203	24	60,000
Ill-70-C-13	North Chicago E.S.D. No. 64	12	645,600
Ill-70-C-17	Wilmington Community Unit S.D. No. 209-U	17	200,000
Ill-70-C-20	Reed Custer Twp. H.S.D. No. 206, Braidwood	17	35,500
Ill-70-C-201	Community H.S.D. No. 123, North Chicago	12	232,500
Ill-70-C-601	Mascoutah Community H.S.D. No. 18	24	600,000
Ill-70-C-602	Rantoul Twp. H.S.D. No. 193	22	500,000
Ill-69-C-701	Joliet Pub. Schs.	14	1,300,000
Ill-70-C-702	Lebanon Community H.S.D. No. 8	24	25,000
Ill-69-C-1101	Weslin Community Unit S.D. No. 3, Trenton	23	222,200
Ill-69-C-1103	Gifford Community Cons. Grade S.D. No. 188	22	51,150

Footnotes at end of table.

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969,
CUTOFF DATE—Continued

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

Application No.	Name of applicant school district	Congressional district	Public Law 815 funds (applicant's request)
Ill-70-C-1103	Gifford Community S.D. No. 188	22	\$55,025
Ill-70-C-1502	Thomasboro Community Cons. S.D. No. 130	22	115,000
Ill-70-C-1505	New Lenox S.D. 122	17	31,200
Ill-70-C-1506	E.S.D. No. 114, Manhattan	14 and 17	41,000
Ill-69-C-1508	Bradley E.S.D. No. 61	17	106,400
Ill-70-C-1508	do	17	60,000
Ill-69-C-1510	Community Cons. S.D. No. 110, East St. Louis	24	40,000
Ill-70-C-1510	do	24	45,005
Ill-69-C-1603	Joliet Twp. H.S.D. No. 204	14	374,850
Ill-70-C-1603	do	14	467,415
Ill-69-C-1604	Lincoln-Way Community H.S.D. No. 210, New Lenox	17	55,300
Ill-70-C-1701	E.S.D. No. 96, Lockport	14	510,000
Ill-70-C-1702	Custer Park Community Cons. S.D. No. 44-C	14 and 17	77,000
Ill-70-C-1703	Braceville E.S.D. No. 75	15	70,000
Ill-70-C-1704	U.S.D. No. 81, Joliet	14	40,000
Ill-69-C-1705	Central E.C.S.D. No. 104, O'Fallon	24	50,000
Ill-70-C-1705	do	24	80,000
Ill-69-C-1706	Gardner Community Cons. S.D. No. 72C	15	17,150
Ill-69-C-1707	Okawville Grade S.D. No. 46	21	21,000
Ill-69-C-1708	Bourbonnais E.S.D. No. 53	17	60,000
Ill-69-C-1709	Herrin Community Unit S.D. No. 4	21	300,000
Ill-70-C-1709	do	21	154,000
Ill-69-C-1710	Plainfield Community Cons. S.D. No. 202	17	180,480
Ill-70-C-1801	Naperville H.S.D. No. 107	14	150,000
Ill-70-C-1802	Naperville E.S.D. No. 78	14	200,000
Ill-70-C-1804	Oswego Community Unit S.D. No. 308	15	120,000
Ind-69-C-1101	Maconaquah Sales Corp., Becher Hill	9	1,490,308
Ind-69-C-1701	East Washington Sch. Corp., Pekin	9	153,000
Ind-69-C-1702	Scott Co. S.D. No. 2, Scottsville	9	75,000
Ind-69-C-1703	West Washington Sch. Corp., Campbellsburg	9	75,000
Ind-69-C-1704	Scott Co. S.D., Austin	9	1,300,000
Ind-69-C-1705	North Central Sch. Corp., Palmyra	8	40,000
Kans-70-C-3	Derby Unif. S.D. No. 260	5	922,460
Kans-70-C-206	Ft. Leavenworth Unif. S.D.	2	1,043,542
Kans-70-C-801	Auburn-Washburn Unif. S.D. No. 437, Topeka	2	336,060
Kans-69-C-1701	Osage City Unif. S.D. No. 420	5	23,450
Kans-69-C-1702	Unif. S.D. No. 503, Parsons	5	179,560
Kans-70-C-1802	Unif. S.D. No. 337, Mayetta	2	130,000
Ky-69-C-1601	Jefferson Co. S.D., Louisville	3	3,400,000
Me-70-C-1	Limestone Sch. Dept.	2	750,000
Me-69-C-1	Bd. of Ed. of Harbord Co., Bel Air	1	372,000
Me-70-C-3	Bd. of Ed. of Anne Arundel Co., Annapolis	2	1,500,000
Me-69-C-7	Bd. of Ed. of St. Mary's Co., Leonardtown	1	800,000
Me-69-C-8	Bd. of Ed. of Prince George's Co., Upper Marlboro	5	1,468,000
Mass-69-C-605	Town of Shirley Sch. Committee	3	100,000
Mass-69-C-1701	North Andover Sch. Committee	6	500,000
Mich-70-C-217	Oscoda Area Schs.	10	300,000
Mich-69-C-416	Rudyard Twp. S.D. No. 11	11	91,000
Mich-69-C-1701	Baldwin Community Schools	9	120,000
Mich-69-C-1702	Oakridge Pub. Schs.	9	609,445
Minn-69-C-5	I.S.D. No. 12, Circle Pines	3	144,963
Minn-69-C-601	I.S.D. No. 386, Baudette	7	65,500
Miss-70-C-202	Long Beach Municipal S.D.	5	208,350
Miss-69-C-701	Jackson Co. Unit S.D., Pascagoula	7	117,550
Mo-69-C-18	Oak Grove Reorganized S.D. R-VI	4 and 5	61,920
Mo-69-C-206	Ft. Osage Reorg. S.D., Independence	4	120,000
Mo-70-C-206	Ft. Osage S.D. R-1, Independence	4	90,000
Mo-69-C-801	Harrisonville H.S.D. No. 1X	4	80,000
Mo-69-C-805	Raymore-Peculiar S.D.-II	4	32,400
Mo-70-C-1801	Richmond S.D. R-XIII	6	92,000
Mo-69-C-1505	Hazelwood S.D.	2	660,000
Mo-69-C-1601	Ft. Zumwalt S.D., O'Fallon	9	135,405
Mont-70-C-501	S.D. No. 16, Havre	2	314,000
Mont-70-C-1801	Harlem H.S.D.	2	353,887
Nebr-70-C-1	S.D. of the City of Bellevue	2	1,216,456
Nebr-69-C-502	Macy Pub. S.D.	1	595,400
Nebr-70-C-801	S.D. of Papillion	2	200,000
Nev-70-C-603	Clark Co. S.D., Las Vegas	1	2,543,800
N.J-70-C-210	Bd. of Ed., Boro. of Eatontown	3	300,000
N.J-69-C-511	Linwood Bd. of Ed.	2	55,800
N.J-69-C-601	Burlington Twp. Bd. of Ed., Fountain	6	170,000
N.J-70-C-1104	Monmouth Reorganized H.S.D.	3	375,000
N.J-69-C-1501	Washington Twp. Pub. Schs., Sewell	1	361,770
N.J-69-C-1701	Somers Point Bd. of Ed.	2	65,000
N. Mex-70-C-1	Alamogordo Municipal S.D. No. 1	1	193,953
N. Mex-70-C-407	Town of Bernalillo S.D.	2	324,788
N. Mex-70-C-501	Clovis Municipal S.D. No. 1	1	273,146
N. Mex-70-C-503	Cloerdroft Municipal S.D. No. 1	2	500,000
N.Y-70-C-804	Central S.D. No. 1, Town of Highland	27	347,090
N. Car-60-C-4	Cumberland Co. Bd. of Ed. Fayetteville	7	219,228
N. Dak-69-C-401	St. John Public S.D. No. 3	2	22,605
N. Dak-69-C-604	Glenburn Public S.D. No. 3	2	175,000
N. Dak-69-1102	Oak Grove S.D. No. 12, Cannon Ball	2	127,000
N. Dak-70-C-1405	Solen Public S.D. No. 1	2	152,000
Ohio-69-C-429	Southeast Local S.D., Ravenna	11	200,000
Ohio-69-C-901	Jefferson Twp. Local S.D., Dayton	3	120,000
Ohio-69-C-1701	North Olmsted City Schs.	23	655,649
Okla-70-C-1	I.S.D. No. 52, Midwest City	4	195,200
Okla-69-C-415	Claremore I.S.D. No. 1	2	77,880
Okla-69-C-436	Vian I.S.D. No. 2	2	128,275
Okla-69-C-609	Noble I.S.D.	4	157,440
Okla-70-C-906	Jefferson Co. S.D. No. 509J, Madras	2	283,240
Oreg-69-C-13	Pocono Mountain S.D.	15	350,000
Pa-69-C-603	Town of Middletown School Committee	1	1,000,000
R.I-70-C-1	Newport Sch. Sept.	1	2,500,000

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969,
CUTOFF DATE—Continued

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

Application No.	Name of applicant school district	Congressional district	Public Law 815 funds (applicant's request)
R.1-70-C-401	Newport Sch. Sept.	1	\$3,000,000
Tex-70-C-2	Ysleta I.S.D., El Paso	16	742,500
Tex-69-C-64	Northside I.S.D., San Antonio	20, 21, and 23	1,500,000
Tex-70-C-213	Burk Burnett I.S.D.	13	410,000
Tex-70-C-504	Northeast I.S.D., San Antonio	20, 21, and 23	2,210,625
Tex-70-C-803	Iowa Park I.S.D.	13	210,000
Tex-69-C-804	Judson I.S.D., Converse	20, 21, and 23	499,140
Tex-69-C-1504	Medina Valley I.S.D., Castroville	23	67,500
Tex-69-C-1701	Sherman I.S.D.	4	300,000
Tex-69-C-1702	Northwest I.S.D., Justin	13	65,000
Tex-69-C-1703	Lake Dallas I.S.D.	13	60,000
Tex-70-C-1801	United Cons. I.S.D., Laredo	23	624,000
Utah-70-C-3	Weber Co. S.D., Ogden	1	4,156,200

PUBLIC LAW 815—1969 AND 1970 APPLICATIONS FILED FOR THE JUNE 25, 1969,
CUTOFF DATE—Continued

[The figures listed below represent amounts requested by applicants. It should be noted that, on the average, school districts' grants usually firm-up to approximately 75 percent of the funds requested]

Application No.	Name of applicant school district	Congressional district	Public Law 815 funds (applicant's request)
Utah-70-C-4	Bd. of Ed. of Davis Co., Farmington	1	\$2,500,000
Va-70-C-14	Sch. Bd. of King George Co., King George	8	146,520
Va-69-C-17	Co. Sch. Bd. of Prince William Co., Manassas	8	3,500,000
Wash-69-C-34	Central Kitsap S.D. No. 401, Silverdale	1 and 6	400,000
Wash-70-C-59	South Kitsap S.D. No. 402	1 and 6	150,000
Wash-69-C-513	North Macon S.D. No. 403	3	40,000
Wash-70-C-1701	Grand Coulee S.D. No. 55-201-205J	4	993,734
Guam-69-C-601	Dept. of Ed., territory of Guam		3,115,096
Guam-70-C-601	do		6,387,205
Grand total (191 school districts)			140,902,190

\$140,902,190 at 75 percent \$105,676,642. August—Changed to \$142,335,840 at 75 percent equals \$106,751,880.

THE NEED FOR FULL FUNDING OF PUBLIC LAW
874

(By Ellsworth S. Statler, Ph. D., Superintendent of Schools, Metropolitan School District of Lawrence Township, Marion County, Ind.)

THE SCHOOL DISTRICT

Location and Organization.—The School District is a part of the Indianapolis metropolitan area. It encompasses that part of Lawrence Civil Township lying outside the City of Indianapolis and is located northeast of the City.

The School District includes the territory of the original Lawrence School Township and is governed by a five-member board of education elected in a non-partisan election serving four-year staggered terms, receiving only nominal compensation. Its present board members are a housewife and business and professional men of good standing in the community. The School District is administered by a Superintendent of Schools with an administrative staff, using up-to-date business methods, including machine accounting.

General Characteristics of the School District.—The School District has an estimated population of 41,000 persons and covers 45 square miles. The School district is exceptionally well located with relation to highways, roads and available land for expansion in technical industrial and commercial use. Its major areas of concentrated use are served by the Sanitary District of the City of Indianapolis and by the Indianapolis Water Company, the Indianapolis Power and Light Company and Citizens Gas Company. It is intersected by main lines of the Penn Central and Norfolk and Western Railroads, by the original Indianapolis by-pass, U.S. 100, and by the new freeway by-pass I-465. I-69, now under contract, enters it from the northeast. Interchanges are well located for use of industry within the School District. It is also served by a substantial network of State and U.S. highways which the interstate highway system will relieve.

The School District contains major military establishments, including Fort Benjamin Harrison; the United States Army Finance Center, employing approximately 14,000 persons; the United States Army Adjutant General School.

The School District's tax base has not quite kept equal pace with its enrollment. This is partially due to the burden of educating—beyond fair share—the 1,143 Federally "related" pupils or some 12.6% of its pupil population who obtain from Fort Benjamin Harrison resident military and "off post" military and related personnel.

A conservative estimate places the dollar worth of Fort Benjamin Harrison at more than \$70,000,000, equal to the taxable prop-

erty or assessed taxable value of property in the remainder of the Township within the Metropolitan School District.

The employees, civilian, as well as armed services, have ready access to the schools of this Township. Currently there are 1,143 pupils whose family support is gained from their parents' employment or deployment on the military installation. Of these, 417 are residents on the "Post", 237 from military households, "off post" and 489 whose parents are employed as civilians on the Federal Property.

In 1968-69 the cost for educating each Metropolitan School District of Lawrence Township child was \$634.00. The Federal Government, however, paid only \$278.22 or forty-four per cent of the cost for educating the children who are in the schools because of relation with personnel of the military establishment. The other citizens of this township made up the difference, thereby subsidizing the Federal responsibility to the extent of 56 per cent. This is an unfair burden for a constituency that carries its present burden well because it is interested in education. Moreover the Federal Government has access to one of the fine, well managed quality educational systems for children of its dependents. It has, therefore, a decided interest in maintaining its fair share in order that quality education may be provided children of its dependents and in no way detracting from the quality to be maintained for other children.

The citizens of this Township are becoming increasingly oriented in the professional, technical, managerial occupations. The vast majority of new residences are in the forty-six thousand dollar bracket. The homes bring in more children than assessed value for taxation produces in revenue; the State makes up the difference.

While of high income capacity as property owners, they are near their limits on taxation and should not be expected (nor will they be likely to do this) overburden themselves. Their burden could be reduced and made more fair if the Federal Government would pay its fair share of its obligation for educating children of its personnel.

Numerous phenomena exert themselves regarding the military personnel at Fort Benjamin Harrison are characteristic evinced: they pay no income taxes to the State of Indiana. Thus the entire State of Indiana subsidizes further the education of these children in the School Foundation Program.

The attached sheets provide statistical data regarding the situation. A map shows the proportion of the Township which is embraced by Fort Benjamin Harrison.

The value of land potential for development is unusually high, for that of the Military Reservation would exceed \$3,500 per acre at current "raw" land prices. The instal-

lations on the Fort are extremely valuable and if no other method can be derived for equalizing responsibility, the Congress and military services should permit the local taxing unit to assess the property at the one-third of "market value" the same as civilian installations or properties experiences.

Conclusions and Recommendations.—The present situation is analogous to others where the Congress has neglected its duty. For many years teachers in the dependency schools around the world were underpaid, making incomes grossly below the average for American city school systems. In fact the National Educational Association of the United States declared it unprofessional to accept positions in these dependency schools. Finally the Congress tended to equalize compensation and by similar token, now the Congress must accept its responsibility and it must bear the burden of educating those displaced at its pleasure and who impact and extend the normal of school systems such as that of Metropolitan School District of Lawrence Township.

The writer would be professionally and intellectually dishonest if he did not admonish that Government for which he has had the utmost respect and petition it to look more favorably upon education, the institution whose quality equates that of our other basic institutions, the family, the government, the economic, and the moral (or religious). Certainly the obligation of "paying up" on P.L. 874 is but a minute consideration in the total budget of our National Government.

Mr. HARTKE. Mr. Chairman, although Indiana fares relatively better than do many other states, I believe the principle to be important, and I would urge that P.L. 815 be funded to provide full entitlement to the eligible districts as soon as they qualify. School Districts ought not to have to wait year after year for the Federal Government to pay its bills.

COLLEGE AND UNIVERSITY CONSTRUCTION NEEDS

Mr. Chairman, one of the major defects, in my judgment, in the budget as submitted, rectified only in a token manner in H.R. 13111, as it passed the House, was the failure to realistically provide for college construction needs.

The \$33 million added for four-year undergraduate construction, I am informed, was based upon the fact that that amount was the same as had been appropriated in FY 1969. Overlooked was the fact that in FY 1969 there was available as carry-over money an additional \$100 million.

To bring equity into the picture we should at the least therefore supply for this purpose an additional \$100 million. But this is not adequate. It takes time from the assurance

of funding until a facility is open for occupancy. The college population potential steadily and predictably rises each year. There are more qualified and ready students seeking collegiate and graduate training each year. We have, as I am sure you have heard from other witnesses a facility deficit of growing proportions.

Mr. Chairman, inadequate funding of the Higher Education Facilities Act has been a drag on the potential progress of many colleges and universities in my own State of Indiana. In fiscal year 1969 alone the junior colleges of my state had unmet construction needs of over \$2½ million while the comparable figure for four year institutions reached almost \$3 million. Considering the fact that Indiana is but one of fifty states which desperately needs federal funding in order to meet the construction demands of its institutions of higher learning, the amounts which would be appropriated under both the administration budget and H.R. 13111 are pitifully inadequate.

The full funding of the authorization for two-year, four-year and graduate facility construction would involve only \$936 million—certainly a very minor sum in an economy whose gross national product is approaching \$3 trillion—and even a very minor sum in a federal budget of about \$200 billion. Provisions of the full amount would scarcely affect even the most sensitive economic measuring devices we have established to guard against inflation. But I think that a valid argument can be made that this type of construction, devoted as it is to improving productivity of young people, can in the long run be actually considered as a disinflationary move since it enables the creation of real wealth.

I ask that you give very serious consideration to funding at a level of \$525 million for FY 1970 and \$986 million for FY 1971.

MAJOR PROGRAMS AND ESTABLISHED PROGRAMS Title I ESEA

Mr. Chairman: The Superintendent of Public Instruction of the State of Indiana last April provided me with a breakdown of the allocation of funds to Indiana schools under Title I ESEA authorities for FY 1969. It is an impressive list, as is the funding provided institutionalized state agency education for efforts for handicapped, migratory, neglected and delinquent children.

It is for that reason that I strongly urge that Title I money be increased over H.R. 13111 to a FY 1970 level of \$1.5 billion and in FY 1971 that this be increased to \$1.750 billion. It would be my hope that the authorization bill now being readied for Senate floor action later this month will provide in its formula for entitlement substantial increase in the amounts generated through a liberalizing of the income factor. I say this because I am increasingly aware of the need to bring Title I benefits to many more schools than can now be accommodated. To do this will require for the future far more money than we have been willing to appropriate in the past. Yet the needs of our suburban communities for educational support are growing ever more imperative.

Title II ESEA

Perhaps the most appreciated aspect of P.L. 89-10 was the fact that the Congress and the President found a way under the Supreme Court holdings to bring an essential teaching tool to all of our children. Title II of ESEA, now funded in H.R. 13111 at \$50 million was once—just a year or two ago—funded at \$100 million. I suggest that we not regress and I urge that this larger sum be provided for FY 1970 rising in FY 1971 to \$125 million. Since about half of the elementary schools of the country still lack a centralized library, there can be no question that an unmet need still exists in this area.

Title III ESEA

Supplementary Services and Centers under Title III ESEA, with an authorization for FY 1970 of \$566.5 million is proposed to be funded in H.R. 13111 at only \$164.8 million. Since this program has been stunted in the past, it has scarcely had a chance to show what benefits it could bring if adequately funded.

I ask \$173 million for FY 1970 rising to \$233 million in FY 1971.

IMPACT AID PROGRAMS

(Section 2, Title I, Public Law 874 and Section 4, Title I, Public Law 874)

Mr. Chairman, I first call to the attention of the Subcommittee on non-funding in H.R. 13111 of two sections of P.L. 874.

Apparently these two rather important parts of the impact laws were left out inadvertently by the House. The total cost to put these two parts back in the bill is small, but some of the schools would suffer severely without these funds. I list below the school districts and the amount of money which would be lost.

Section 4, title I, Public Law 874 applicants, school year 1967-68

(Name of school district and entitlement)

Colorado:	
Harrison School District No. 2, El Paso County	\$98,323
El Paso County School District No. 3	82,766
Florida: Brevard County Building of Public Instruction	688,419
Kansas: Unified School District No. 37, Shawnee County	95,543
Nebraska: School District of Bellevue, Sarpy County	305,314

Total section 4 fiscal year 1968 entitlements, title I, Public Law 874 1,270,365

Public Law entitlements given above represents 100 percent estimated entitlements. Proration required for fiscal year 1968: 98 percent.

Section 2, title I, Public Law 874 applicants, school year 1967-68

(Name of school district and entitlement)

ARKANSAS	
White Hall School District No. 27, Jefferson County	\$3,987
Greenwood School District No. 25, Sebastian County	25,450

CALIFORNIA	
Hueneme School District, Ventura County	52,951
Deluz School District, San Diego County	7,250
Fallbrook Union High School District, San Diego County	154,220
Fallbrook Union School District, San Diego County	205,200
Oceanside Union School District, San Diego County	702,405
San Miguel Junction Union School District, San Luis Obispo County	1,770
Valle Lindo School District, Los Angeles County	58,030
Washington Union School District, Monterey County	1,911
San Antonio Union School District, Monterey County	1,974
Los Alamitos School District, Orange County	131,729
French Gulch-Whiskey Town USD, Shasta County	8,159

FLORIDA	
Walton County Board of Public Instruction	34,362

Section 2, title I, Public Law 874 applicants, school year 1967-68—Continued

GEORGIA

Liberty County Board of Education	\$18,648
Clay County Board of Education	7,337

ILLINOIS

Wilmington Comm. Unit S.D. No. 209U, Will County	52,610
Elwood Comm. Cons. S.D. No. 203, Will County	14,300
Giant City Comm. Cons. S.D. No. 130, Jackson County	4,563
Downers Grove School District No. 66, Du Page County	4,748

INDIANA

Metropolitan School District, Charlestown Twp., Clark Co.	20,820
Utica School Township, Clark County	9,825
N. Vermillion Comm. Sch. Corp., Vermillion County	20,176
Nineveh-Hensley-Jackson United Sch. Corp., Johnson Co.	20,511
Percy Central Comm. Sch. Corp., Perry County	4,032

KANSAS

Toronto CSD No. 3, Woodson County	5,824
Unified SD No. 475, Geary County	11,246
Unified SD No. 378, Riley County	31,598
Unified SD No. 324, Phillips County	7,808
Unified SD No. 272, Mitchell County	20,844
Elk Valley Unif. SD No. 283, Elk County	282
Unif. S.D. No. 343, Jefferson County	6,387
Unified SD No. 340, Jefferson County	7,489
Oskaloosa Unified SD No. 341, Jefferson County	9,884
Blue Valley Unif. SD No. 384, Riley County	33,784
Unified SD No. 277, Jewell County	1,366
Unified SD No. 379, Clay Center, Clay County	18,752
Eureka Unified SD No. 389, Greenwood County	4,048

KENTUCKY

Trigg County School District	36,822
Wayne County School District	13,799
Russell County Board of Education	28,056
Lyon County Board of Education	18,261

MICHIGAN

Alcona Community Schools, Alcona County	6,446
Watersmeet Township SD, Gogebic County	37,307
Marenisco School District, Gogebic County	8,749

MISSISSIPPI

Hancock County Unit School	10,230
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MISSOURI

Center SD No. 58, Jackson County	297,000
Winona Public SD R-III, Shannon County	691
Benton County SD No. R-10	0

NEBRASKA

School District No. 1-C, Clay County	3,593
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NEW JERSEY

City of Burlington Building of Education, Burlington County	51,516
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NEW YORK

CSD No. 1, Towns of Antwerp, et al, Jefferson Co.	1,404
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Section 2, title I, Public Law 874 applicants,
school year 1967-68—Continued

OHIO	
Mad River Twp. Local SD, Montgomery County	\$88,482
Windham Exempted Village SD, Portage County	31,739
Southeast Local SD, Portage County	58,586
Maplewood Local SD, Trumbull County	10,671

OKLAHOMA	
Haywood ISD No. 88, Pittsburg County	2,230
Canadian ISD, No. 2, Pittsburg County	5,032
Crowder ISD No. 28, Pittsburg County	1,100
Fanshawe ISD No. 39, Le Flore County	4,555
Le Flore DSD No. 16, Le Flore County	3,593
Eufaula ISD No. 1, McIntosh County	9,445
Hodgen DSD No. 14, Le Flore County	1,374
Locust Grove ISD No. 17, Mayes County	8,354
Fovill ISD No. 7, Rogers County	2,295
Longdale DSD No. 70, Blaine County	5,423
Stidham ISD No. 3, McIntosh County	3,027
Braggs ISD No. 3, McIntosh County	4,476
Little Axe Dep. No. 70, Cleveland County	702
Vian ISD No. 2, Sequoyah County	2,562
Woodville DSD No. 4, Marshall County	1,575
Reydon ISD No. 6, Roger Mills County	3,487
Chelsea ISD, No. 3, Rogers County	2,610
Crawford DSD No. 11, Roger Mills County	1,452
Colbert ISD No. 4, Bryan County	2,720
Tishmingo ISD No. 20 Johnston County	6,118
Cookson DSD No. 1, Cherokee County	2,347
Wister ISD No. 9, Le Flore County	4,228
Alluwe ISD No. 50, Nowata County	14,003
Blackgum DSD No. 33, Sequoyah County	454
Frue DSD No. 50, Osage County	1,342
Butler ISD No. 46, Custer County	2,073
Keystone DSD No. 15, Tulsa County	3,614
Osage DSD No. 49, Osage County	2,127
Falls DSD No. 31, Cleveland County	1,732
Nida DSD No. 58, Johnston County	5,453
Ravia ISD No. 10, Johnston County	1,471
Cobb ISD No. 1, Bryan County	885
Eagletown DSD No. 13, McCurtain County	3,092
Tanglewood DSD No. 20, Tulsa County	956
Enville DSD No. 7, Love County	1,409
Bowring SD No. 7, Osage County	1,815
Heavener ISD No. 3, Le Flore County	2,869
Keys DSD No. 6, Cherokee County	595
Gum Springs DSD No. 69, Sequoyah County	1,749
Keota ISD No. 43, Haskell County	8,480

PENNSYLVANIA	
Centennial School District, Bucks County	304,845
Warren County School District	28,692

SOUTH CAROLINA	
McCormick SD No. 4, McCormick County	
School District No. 4, Anderson County	13,669

Section 2, title I, Public Law 874 applicants,
school year 1967-68—Continued

SOUTH DAKOTA	
Pickstown ISD No. 96, Charles Mix County	\$373
Douglas CSD No. 3, Pennington County	44,881
Interior ISD No. 55, Jackson County	1,924

TENNESSEE	
Stewart County Board of Education	15,465

TEXAS	
Gatesville ISD, Coryell County	9,407
Zavella ISD, Angelina County	3,629
Speegleville ISD, McLennan County	2,122
Brookeland ISD, Jasper County	7,520
Comstock ISD, Val Verde County	5,873
Broadbudd ISD, Rockwall County	1,912
Etoile CSD No. 10, Nacogdoches County	736
Total section 2, Public Law 874 payments, fiscal year 1968	3,013,324

Proration 1968: 98 percent.

Mr. Chairman, I urge the subcommittee to remove this inequity and to provide funding for these programs, which as you know relate to areas having a continuing burden of federally related students or who have suffered sharp and sudden increases in federally connected enrollments.

Further, since P.L. 874 is an entitlement based upon the numbers of children meeting the statutory requirements, I suggest that the area be fully funded at \$650 million, rather than at the \$587 million in H.R. 13111 for both FY 1970 and FY 1971.

TITLE IV: ESEA

The Cooperative Research Act in H.R. 13111 carries funds of about \$85.75 million for educational research and training. Because there is no dollar ceiling in the authorization, I sometimes feel that the program has been short-changed. This was one area in which even the Nixon budget was sparse to the point of emaciation; even so, funding was cut by the House of Representatives in Committee and was not restored on the floor. I believe the Office of Education estimate to the Department of HEW of \$161.7 million is realistic. Surely in private industry we would plow back into research and development 5% of our operational costs. For O.E. this would be about \$200 million.

Mr. Chairman, in light of this, the request that you will have received from the spokesman for educational research and training for the inclusion of an item in the 1970 appropriations measure of the President's budget figure of \$115 million is well warranted, as is the \$161.755 million for fiscal 1971.

TITLE V: ESEA—STRENGTHENING STATE
DEPARTMENTS OF EDUCATION

In the enabling legislation, the Senate has taken care to build into Federal support for the states a local system capability for evaluation and analysis of projects and programs. Such support at the state level to improve the planning capability of State Departments of Education in the interests of providing better services to local school districts is an investment in future economy which we neglect at our peril.

It is for this reason that I would urge a \$5.25 million increase for fiscal 1970 over the \$29.75 million figure carried in H.R. 13111. In this connection, of particular interest to me is that a portion of the planning money under the terms of the substantive legislation flows to the local school district and, therefore, when we support State departments of education by Title V, we are also giving an opportunity to our local school

districts to improve their services. It is for this reason that I have no hesitancy in recommending to you for fiscal year 1971 a further increase in this item of \$10 million, making a total of \$45 million.

TITLE VI: ESEA—EDUCATION FOR HANDICAPPED
CHILDREN

Mr. Chairman, as we turn to Title VI of the Elementary and Secondary Act, we enter an area that, ever since 1963, has been of special concern to the Senate. I refer to the programs designed to obtain equal educational opportunity for our young people with handicaps.

Special education is costly—unless it has the protection of earmarked funds, the temptation, I fear, is that because of its costliness per child, services in this area are curtailed. Yet these children have a special claim upon our sympathies and our affection, and it is for this reason that Title VI came into being. This authorization of \$224 million is not much, but by comparison with the \$36.8 million in H.R. 13111 the disparity between the goal and reality is glaringly apparent. We must not forget that the Carey Amendment, accepted on the House floor, provided no funds for state grants under Title VI.

I would, therefore, urge that you increase funding of the Title in FY 1970 to \$57.61 million and that for FY 1971, under forward funding, we provide at least \$114 million, even though this amount barely approaches the 50% authorization level of a program which is truly a capital investment. Unless we provide these handicapped children an opportunity, through education, to develop the limited potentials with which they are endowed, we surely will have to pay, in future years, a disproportionate cost in support and maintenance from public funds. Here, if anywhere, the ancient truism that "an ounce of prevention is worth a pound of cure" is valid.

So important is the planning and evaluation function in this area that I would urge increased funding of Section 402 of PL 92-247 from \$9.25 million to \$14 million in fiscal year 1970 and up to \$20 million in fiscal year 1971.

It is for this reason also, Mr. Chairman, that I urge that the Early Childhood Education Act for Handicapped Children be increased from the \$4 million fiscal year 1970 amount carried in H.R. 13111 to \$10 million, and \$12 million for fiscal year 1971.

TITLE VII: ESEA—BILINGUAL EDUCATION

Mr. Chairman, children who come from other than English speaking families face many difficult problems as they enter the school systems of our country. Our larger metropolitan centers are particularly aware of the acute need for special programs designed to cope effectively with their problems. These are programs which have tremendous support on the part of the parents of the children since they realize the need for this special educational assistance. I have been informed by some of my friends in the private educational sector that, following curtailment of bilingual programs in one of our major cities, the mood of the parents in the barrio was one of bewilderment and frustration.

Dr. Flemming, in his testimony has, I believe, indicated to you, as a former Secretary of HEW under President Eisenhower, his experience in working with the Urban Coalition the problems which will concern us if we do not realize and make good on the expectations we have aroused. I think we should heed his warning and accept his counsel. For this reason, I urge that the fiscal year 1970 funding level for this program be increased to \$20 million, doubling in FY 1971 to \$40 million.

TITLE VIII: ESEA—DROPOUT PREVENTION

Mr. Chairman, here again we have an area in which H.R. 13111 provides less funding than requested by the gaunt figures of the Nixon education budget. Dropout prevention is an area of major concern in our larger metropolitan communities. It is of particular relevance to me, as a Senator from Indiana, since I am aware of the need for adequate funding in order that the urban centers of my State may have an opportunity to participate in providing the quality education for disadvantaged students that is their birthright.

I, therefore, strongly suggest that for fiscal year 1970 we at least meet the Nixon budget figure of \$24 million and that for fiscal year 1971 it be increased to \$30 million.

TITLE VIII: EDUCATIONAL BROADCASTING—TITLE III OF THE COMMUNICATIONS ACT

Mr. Chairman, because of your responsibilities in the field of television, I know that I need not convince you of the merits of financing of public educational television under Title III of the Communications Act, but I would assure you of my support for any action on the part of the Subcommittee to provide full funding of \$15 million in fiscal years 1970 and 1971.

This is a medium of public education of widespread appeal and growing influence. I know that television can be of tremendous help to each of us in our legislative duties through the information it can convey to the citizens of our communities. For that reason, I pledge to you my firm support for this budgetary area.

National defense education programs

Mr. Chairman, I have already covered Title II of NDEA. I would now like to discuss the other titles of that Act. For Title III, matching grants to the states for equipment purchase was increased by the House floor action from zero to \$78.7 million for FY 1970. I have only the highest plaudits for this action. I would suggest to you that for FY 1971, this figure be raised to \$170 million.

There is no question, Mr. Chairman, that despite criticisms which have been offered, this is a program with strong grass roots support. This support comes from, among others, the classroom teacher, for whose professional benefit the program is primarily designed. One has only to be privileged, as I was a year or so ago, to see what can be done by a master teacher equipped with the tools of his profession toward arousing and stimulating the interest of his students. Although the equipment and materials may occupy only 10 minutes of a 50 minute session, they enable the remaining 40 minutes to become incorporated into the child's understanding.

The recommendation that the FY 1971 appropriation be increased to \$170 million was based, in part, on the hope that \$75 million of that amount could be used to fund the new program which was added in recent revisions of the title. Here again we are dealing with a broadly based program of interest to those who are engaged in the teaching of all of our children in all of our schools.

TITLE IV: NDEA—FELLOWSHIP PROGRAM

Mr. Chairman, I believe what many economists have said about the investment in human capital represented by our graduate schools; this investment has been one of the chief contributors to the growth and extension of our society.

The training of teachers is vitally necessary and it is very expensive, but the return to our economy amounts to about 25% of the increase in our gross national product and thus makes it one of the best examples of capital investment that we can describe. It is for this reason that I would hope that \$75 million could be allocated in FY 1970, and a like amount for FY 1971.

The development and strengthening of our graduate schools through assistance provided to the student has proved effective in the past, and, further, is one of our best hopes for the future. It is a program which should be continually developed and expanded if we are to be equipped with the societal tools to meet the challenges which the next two decades will place before our people.

TITLE VI: NDEA—LANGUAGE DEVELOPMENT

Mr. Chairman, as a world power, we must recognize the importance of developing understanding and communication with other countries and cultures. Certainly foreign language development is a requisite condition for international understanding and communication.

Furthermore, foreign language training pays real dividends in making easier the task of our government, and all of our business and industrial organizations.

So far as I know, there is no opposition generated against this program, and I would, therefore, support a \$5 million increase in fiscal year 1970, and a \$30 million funding for this program in fiscal year 1971.

International Education Act

At the same time, Mr. Chairman, I would urge that a similar program, authorized under the International Education Act, be given an initial funding; \$90 million is authorized for this program.

Although the Senate has traditionally approved funding for International Education, objections on the part of the House have resulted in its removal from the appropriations bill in conference.

Because it is a new program which ought to be started, I suggest that \$3 million in the first year of funding would be sufficient to activate it, and that this be increased in FY 1971 to \$10 million, so that it may develop.

Mr. Chairman, I feel certain that you and your colleagues will agree that it has been the semantics of the title of the Act which have been misleading. We should keep in mind that its primary purpose is the strengthening of our domestic graduate centers of excellence in all disciplines and areas of concern. If it is funded properly in future years, it could do more than any other of our measures to build a strong graduate school capability in each of our states.

I, therefore, strongly urge that your Subcommittee reaffirm the actions taken by your predecessors and supply this program with the funding needed. In this connection also, I would commend to you the liberalization of the Special Currency Program falling within the Office of Education functions. By restoring the money eliminated by the House Committee from the Nixon budget and by increasing it to \$4 million for fiscal year 1970 and and by \$6 million for fiscal year 1971. The amounts of blocked currency which could be made available for the use of scholars working in the five or six countries, particularly India, in which these counterpart funds are to be found, could be of major help to many academic disciplines.

VOCATIONAL EDUCATION ACT

I particularly urge the Committee to support all of the House increases in Vocational Education Act funding as contained in H.R. 13111. I would even hope that the Senate could demonstrate its support of this Act by providing for FY 1970 a token increase of \$10 million above the House figure, and would certainly urge that for fiscal year 1971 the \$870 million of the authorization be appropriated.

The changes we have made in the substantive statutes in the last year offer great promise if we provide adequate funding for these areas. In a similar fashion, I would hope that Part F of the Education Professions Development Act would be given specific visibility by the Subcommittee by pro-

viding \$25.75 million for FY 1970, and \$50 million in 1971.

SPECIAL PROGRAMS FOR DISADVANTAGED STUDENTS; TALENT SEARCH; UPWARD BOUND; SPECIAL SERVICES IN COLLEGE

Mr. Chairman, in our endeavor to open the doors of educational opportunity to all of our young people, programs are now under way in the Office of Education, and I refer to Talent Search, Upward Bound and Special Services in College, which yield a high return for the amounts invested. It is my hope that the Committee will accept the \$45 million for FY 1970 which is in H.R. 13111, and that this amount will be increased in fiscal year 1971 to \$75 million. By appropriating at the level suggested here, we can be sure that the money will be well spent.

HIGHER EDUCATION ACT OF 1965

(Title I—University and Community Services, and Continuing Education)

Mr. Chairman, from the foregoing you have, I know, been made aware of my interest in Adult Education through University Extension Programs. I wish to commend to you for funding at the highest levels upon which you can agree, the programs and services operated under the authorities of Title I of the Higher Education Act of 1965.

The authorization for this program is currently set at \$50 million. I very much regret that we have been unable, in the past, to obtain more than \$9.5 million for what could potentially become a most important channel for bringing the resources of our institutions of higher education to bear upon the problems of all of our communities, while at the same time meeting the higher education needs of young people who, by virtue of their work, cannot obtain higher education during the daytime hours. Furthermore, University Extension Programs help solve the problem of geographical isolation by providing correspondence courses to those people who do not live within easy reach of our institutions of higher education.

Here, again, Mr. Chairman, we have a concept that is potentially as productive as any other, but which has been strangled by inadequate financing. I think we do a disservice to the smaller communities of our land, whose problems are many, pressing and varied, when we fail to underwrite this program. For good reasons, this program has the strong support of our great land grant colleges and affiliated organizations.

Title I has had bipartisan support, extending across the political spectrum, from its inception. What is needed now is the necessary funding to unleash the productive energies which could be devoted to this area. For this reason, I urge upon you that a FY 1970 appropriation of \$25 million be provided, along with forward funding for FY 1971 of \$50 million.

HIGHER EDUCATION ACT: TITLE II—LIBRARY ASSISTANCE, TRAINING, AND RESEARCH

Mr. Chairman, in the field of higher education someone once pointed out that the quality of an institution is measured by three variables "the faculty, the student, and the library; and the greatest of these is the library." There is more than some truth in the statement. If eager students can be provided the best that has been thought and said, through adequate library resources, then these students are well on their way to educating themselves.

The problem that we must all face is that the phenomenal increase in knowledge which has characterized the last fifty years has made it imperative that the library resources of our institutions of higher education be expanded and improved. The special skill, training, and research provisions of Title II can help us cope with this knowledge explosion. I, therefore, strongly urge that as a minimum the \$24 million in H.R. 13111 for

these programs be increased in fiscal 1970 to \$43.6 million and that there be a major increase for 1971 to \$108.5 million.

HEA TITLE III: DEVELOPING INSTITUTIONS

The program authorized under Title III of the Higher Education Act of 1965 allows the strength of an established institution to be utilized in assisting a developing institution to gain those attributes which will permit it to make a full contribution to the education of young people. Such a program has obvious merit. I am particularly impressed with the devotion of young graduate fellows who, I am told, have done so much to bring to the campuses of the developing institutions the strength of their own colleges and universities. The complementary program whereby teachers in their middle years are given an opportunity on the campuses of the larger institutions to re-familiarize themselves with the developments in their disciplines is worthy of commendation. We cannot afford, Mr. Chairman, to let any of our institutions of higher education go by the board if we can, through a medium such as Title III—HEA, help to renovate and renew their intellectual fabric. It is a sound principle of conservation in general and of particular value in this instance. I would, therefore, urge, Mr. Chairman, that you and your colleagues, in giving consideration to the meaningful needs in the educational areas, not overlook the contributions which can be made by the developing institutions if they are funded. It is for this reason that I would ask an increase of \$10 million for fiscal year 1970 and full funding of \$91 million in fiscal 1971 for these purposes.

HEA TITLE V: EDUCATION PROFESSIONS DEVELOPMENT ACT

(Part B—Teacher Corps, Part C—Fellowships, Part D—Training, and Part E—Higher Education Personnel)

Mr. Chairman, in reviewing the antecedents which led to the enactment of the Education Professions Development Act as Title V of the Higher Education Act, I recall the earlier years in which Title XI of the National Defense Education Act provided summer school training for our elementary and secondary school teachers, both public and private. These were programs which had the enthusiastic support of the disciplines involved and, in my judgment, conveyed material benefit to the children who were taught by those who attended. The in depth refresher courses of the year-long institutes was immeasurably effective. The fellowship programs of the original Title V of the Higher Education Act opened up horizons to many young teachers who, seasoned with a few years in the classroom, were able to bring into the teacher training institutions a sense of the needs of the elementary and secondary schools. This has helped to modify the graduate curriculum to make it more responsive.

All of these programs are now encompassed within the broader scope of the Education Professions Development Act. Since we are dealing in this area with the living core of the school system, whether it be the elementary-secondary, junior college or four year institutions, I think it highly desirable that adequate money be provided to meet the training and retraining needs of the education profession.

I have already given you my recommendations with respect to the teachers of vocational education and I would wish to supplement that at this time with the counsel that Part C, Fellowships, be funded at \$40 million for fiscal year 1970 and \$45 million for fiscal year 1971; further I suggest that the Training Programs of Part D be funded at \$65 million for fiscal year 1970 and \$80 million for fiscal year 1971; finally I would hope that Part E for Higher Education Personnel could be increased to \$30 million for fiscal year 1970 and \$35 million for fiscal year 1971.

Title V, Part B, of the Education Professions Development Act has a special claim upon our resources. The Teacher Corps Program, Mr. Chairman, is one which should be encouraged and expanded. Indiana in 1968 received \$507,039; in fiscal year 1969 for Indiana this amount was reduced to \$244,449. Under H.R. 13111, as it passed the House, there was insufficient money to provide a single dollar for this program in my State. The Nixon budget had requested \$31.1 million but the House passed bill cut this program to \$21.7 million.

I would very strongly urge, since this is a Senate originated program, that we affirm our support for this approach to teacher training and the improvement in elementary and secondary education by funding this program in excess of the \$31.1 million of the Nixon budget for fiscal year 1970 and for fiscal year 1971 that we appropriate not less than \$46 million.

HEA TITLE VI: UNDERGRADUATE EQUIPMENT

Mr. Chairman, in 1969, the colleges and universities of Indiana received slightly more than \$360 thousand each year on a matching basis for the purchase of equipment used in the instruction of students. Under the Nixon budget and under the House passed bill no money is provided for this vital service. It is very difficult to make bricks with straw. It is very difficult in this technological age to furnish instruction without the use of teaching tools. I would highly recommend that Title VI be funded in fiscal year 1970 at \$60 million and that full authorization of \$70 million be appropriated for fiscal year 1971.

LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. Chairman, the Library Services and Construction Act, under the Pryor amendment, increased Title I grants to Indiana from \$412,777 to approximately \$861,433.

In addition, for Title II of the Act, H.R. 13111 provided \$206,777 for construction instead of the zero dollar recommendation of the Nixon budget. It was funded at approximately the fiscal year 1969 level of expenditure which, I might add, was but one-third of the \$775,944 level of fiscal year 1968. These increases I heartily applaud. And, while I would like to have more for fiscal year 1970 for each of these programs, if this is not possible, I would urge that for fiscal year 1971 we build in increases to \$47 million for Title I and to \$18 million for Title II.

There are other titles in this Act which received no increase over the budget for fiscal year 1970 and I would urge you to give ear to the advice you will receive from other witnesses as to any increase which may be justified for these areas, because they are important for the adequate development of the public library system in my State.

For fiscal year 1971 I would ask that you provide, for Title III, \$5 million; for Title IV, Part A, \$3 million, and for Part B, Services to the Physically Handicapped, \$2 million.

For the entire act this amounts to a total of \$75 million, as opposed to the \$46.9 million for fiscal year 1970.

SPECIAL EDUCATION PROGRAMS—TITLE III

(P.L. 88-164 and Title V; P.L. 88-164; P.L. 85-926; and P.L. 85-905)

Mr. Chairman, as I have previously indicated in my discussion of ESEA, Title VI, claims for children who need special education deserve our support and every bit of help that can be given in realizing the objectives of bringing this group of children into a state of educational parity with their more fortunate playmates. I, therefore, would urge you, as you authorize your forward funding authorities, to expend the amounts provided in fiscal year 1970 so that in fiscal year 1971 the education of handicapped children under P.L. 85-926 might have funding opportunities of no less than \$44 mil-

lion. Research and demonstration projects of Title III of P.L. 88-164 should be funded at \$18 million in order to insure the effectiveness of the program's operation.

Section 501 of P.L. 88-164 should be funded for not less than \$2 million with \$1 million being made available for Section 502; further we should increase the media services and caption films from \$6.5 million to \$9 million.

NEW PROGRAMS IN HIGHER EDUCATION

Mr. Chairman, the Higher Education Act of 1965, as amended, created the new Titles VIII through XI which have never been funded. This refusal to fund new starts seems to be a policy adopted in the other body last year. This is a shortsighted policy, in my view, and it would be my hope that the Subcommittee could provide each of these programs with a \$3 million appropriation in order to enable them to get off the ground and to demonstrate their merit in operation.

I further hope that the Subcommittee would, in considering forward funding for fiscal year 1971, provide for Networks for Knowledge Title VIII, \$15 million; for Education for the Public Service, Title IX, \$13 million; for Graduate Education, Title X, \$10 million; and for Clinical Training in the Law, Title XI, \$7.5 million.

These new programs should receive the support of the Senate when they reach the floor. There is no argument which can be raised against the substantive merits of the proposals and they deserve the opportunity to provide the kinds and quality of the training they are designed to achieve. I ask, therefore, that in addition to supplying the money to put them into operation that, in conference, the Senate conferees hold fast and, if necessary, force the House managers to go back to the other body for instructions prior to deleting them from the conference report.

Here, I think is an area, Mr. Chairman, that is of real concern to the Senate. Far too often, in my judgment, through the veto power of the House manager of the Subcommittee, the will of the Senate has been set at naught. It is a most dangerous precedent and one that should be scotched. I, therefore, very strongly urge that serious consideration be given to bringing into being these programs, and for funding them upon their merits and in subsequent years on the basis of the results obtained from their use.

SALARIES AND EXPENSES

This has been a fairly exhaustive presentation, Mr. Chairman. I deeply appreciate the courtesy that you and those who serve with you have extended to us in the course of these hearings.

In closing, I will give you but one final reminder that probably too few will call to your attention, and that is, that if programs are to operate, the men and women of the Executive Branch who are called upon to administer them, need to have added to the Salaries and Expenditures item of the Office of Education at least \$6 million more than provided in H.R. 13111. Because of the mechanics of the floor situation on the House side during the adoption of the Joelson, Carey and Pryor amendments, about \$1 billion \$42 million was added to the President's budget request. In doing so, however, this money was earmarked for the operational programs with no equivalent and necessary increases in staffing patterns to carry on the essential work involved in the expanding of the programs. I suggest to you that \$6 million is a conservative figure for this item, but I trust that you will, in reporting H.R. 13111 to the floor of the Senate, not overlook this essential ingredient for the successful and economical operation of the Office of Education.

Thank you, Mr. Chairman.

HEALTH BUDGET CRISIS HEALTH MANPOWER

Mr. KENNEDY. Mr. President, when I appeared yesterday before the Appropriations Subcommittee concerned with funds for health programs in the Department of Health, Education, and Welfare, I made a number of recommendations for increasing specific line item appropriations for health manpower over and above the administration's and the action of the House of Representatives. Briefly, the recommendations I made were as follows:

First. The Senate should fund the full authorization of \$35 million for the health professions student loan program.

Second. The Senate should restore the \$4.7 million cut in the health professions scholarship program.

Third. The Senate should restore \$5.5 million in scholarship aid for nurses. It should also add an additional \$4.6 million in loan money, so that the amount for loans will at least be equal to the loan money available in 1969.

Fourth. The Senate should fund the full authorization of \$10 million for graduate public health traineeships, instead of \$8 million—the budget request—which has remained the same since 1967.

Fifth. The Senate should fund the full authorization for the nursing and allied health traineeships.

Sixth. The Senate should fund the full authorization of \$117 million for educational improvement grants, rather than accept the \$101.4 million budget request.

Seventh. The Senate should fund the full authorization of \$35 million for nursing institutional aid rather than accept the \$7 million budget request.

Eighth. The Senate should fund the full authorization of all health manpower construction programs.

Ninth. The Senate should fund the full authorization of the allied health institutional aid program.

Tenth. The Senate should adequately fund formula project grants for schools of public health.

Mr. President, I made these recommendations because of the increasing severity of the health manpower situation in the Nation. As I said in my remarks before the subcommittee, when the Health Manpower Act of 1968 was passed, the committee reports indicated that we need 52,000 doctors now, but are producing only 9,000 a year. We need 141,000 more nurses today. We will need an additional 18,000 dentists by 1973. And the need for allied health personnel, given the advent of new medical technology, is almost overwhelming.

Our medical schools are in deep financial trouble. Our schools of nursing, urged by Congress to become more efficient and produce more nurses, have begun to do so, only to see their expectations disappointed and their Federal funds cut, rather than increased to meet the need. Equally serious, aid for allied health professions is almost nonexistent.

Mr. President, during my testimony I also placed in the hearing record sev-

eral letters from associations of schools of the health professions. They show the probable drastic impact of the President's budget requests and the House action upon their schools and their students. Because of the importance of this matter, I now call them to the attention of my colleagues in the Senate.

In addition, I placed in the hearing record a series of tables which showed the severe impact of the budget requests for loans and scholarships on schools and students. What is truly remarkable is that in nearly every case—though school enrollments increase—the amount of loan and scholarship aid goes down.

In fact, fiscal year 1970 will find student loan support at its lowest ebb in the past 3 years. For example, in medical schools across the Nation in 1968, 37 percent of the students were assisted by loans, but in 1970 only 19 percent of them will be assisted, a reduction of almost 50 percent. Ironically, this decline is occurring at the very time when a major effort is being made to recruit disadvantaged students into all of our health professions.

Mr. President, the tables provide a school-by-school breakdown of the loan and scholarship crisis in our schools of medicine, dentistry, osteopathy, optometry, pharmacy, and veterinary medicine.

I ask unanimous consent that the tables be printed in the RECORD, as well as the group of letters I mentioned from the association of schools of the health professions.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

AMERICAN OSTEOPATHIC ASSOCIATION,
December 1, 1969.

HON. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

SIR: Today we are experiencing a contradiction in federal policy concerning health care needs in our country. On the one hand, we hear the federal cry for more health manpower to meet the growing health care needs in the United States; on the other, the very institutions that are trying to eliminate part of the problem are being handicapped by a cut in urgently needed funds.

We are concerned about the shortage of physicians in general, and family physicians, in particular, and the handicap which this places on our progress toward our national health goals.

According to a recent survey by H.E.W., our five osteopathic colleges graduated two times as many family physicians as the ninety-seven medical schools in the United States. It is this vital source of needed manpower that is being discouraged by a cut in funds.

The result of a recent study shows that a substantial portion of our osteopathic students come from the lower-middle and disadvantaged groups in our country. These groups who can least afford curtailment of funds are bearing the brunt of the recent cut in the student loan programs. More specifically, the number of students in each of our osteopathic schools affected:¹

¹ "Critically affected" means that the students will probably be forced to leave school. "Seriously affected" means that the students will be able to complete their work only with

College of Osteopathic Medicine (Des Moines): 38 critically affected, 45 seriously (22% of student body).

Kirkville College of Osteopathy & Surgery: 177 students.

Kansas City College of Osteopathy & Surgery: 300 students.

Chicago College of Osteopathy: 100 students.

Philadelphia College of Osteopathic Medicine: 18 students critically affected, 100 students seriously affected.

Michigan College of Osteopathic Medicine: 15% of the entering class.

Each year our osteopathic colleges strive to increase enrollment, thus increasing health manpower in the United States. Yet, the funds are not available in proportion to our rate of growth. Last year, for example, Kansas City College had \$203,300 in student loans available to its students. This year with a 10% increase in enrollment, the funds have fallen to \$96,544 or a 60% decrease. Kirkville College suffered a reduction in funds of \$170,738 last year to \$101,967 this year.

Our schools generally find that banks, in spite of their federally authorized subsistence in interest rates, are reticent to make loans available to the students so affected. In some instances the acquisition of a loan is impossible unless the family or close friends will give them special help or have substantial funds in the banks where loans are sought.

This drastic curtailment in grants for construction and supplemental education puts three of our colleges in such severe financial straits as to seriously affect their accreditation status, because they will not be in a position to move ahead with required programs and construction commensurate with their additional student body.

We most urgently request your most careful attention to the solutions of these problems which are so vitally affecting the total program of medical education.

We are most grateful for this opportunity in making a statement for a last ditch effort in attempting to recoup the cut in funds which are so seriously affecting us all.

Very truly yours,
ROY J. HARVEY, D.O.

AMERICAN ASSOCIATION OF COLLEGES
OF PHARMACY,

December 1, 1969.

HON. EDWARD M. KENNEDY,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: It is the purpose of this statement to provide information on the effects on schools of pharmacy of the proposed Federal funding for the health professions.

First, it should be stated that the effects of the proposed cuts in funding for health programs can be assessed only in the months ahead, just as the benefits derived from full funding can be determined only after a period of time. The full impact of the proposed decrease in the loan funds will not be known until the second half of the year. In many cases there have been sufficient funds to meet the needs of the students requesting funds in September, 1969, but it is expected that those who have a need for funds in the second semester will, in many instances, be unable to obtain them through the health professions program. The guaranteed loan program is not expected to fulfill the need.

Serious efforts devoted to obtaining extra income. All other students will not receive funds, but will probably be able to find, with some difficulty, funds to continue. The total listed here are all those who requested funds, but will not receive them.

Three schools of pharmacy have construction projects approved but not funded and three other schools have projects pending review. These will require \$2.2 and \$6.2 million, respectively, in Federal funds. While these requirements are small, the significant fact is that they are a part of the total projects (those approved and unfunded and those pending review) from all health professions which require about \$487 million of Federal funds against a proposed appropriation of \$170 million.

Beginning with FY 1970, schools of pharmacy will be eligible for institutional and special project grants. Thus, for the first time our schools will be eligible to receive the broad Federal assistance provided by institutional funds and to compete for funds for special projects. These sources of assistance will provide funds urgently needed in strengthening the total program of the schools.

The proposed appropriation of \$46.5 million for institutional grants will provide \$9.8 million for pharmacy, and the \$49.9 million for special project grants will provide about \$38.8 million for continuation of grants previously made to schools of the health professions (this does not include schools of pharmacy or veterinary science) and only \$12 million for new projects to all of the health professions.

The need for special project funds for pharmacy is evidenced by the fact that 64 of 73 schools have submitted applications, and the total request for the first year is expected to be at least \$9 million. It is apparent, therefore, that the full funding of the program to the authorized \$117 million rather than the proposed appropriation of \$96.4 million is urgently needed to provide

increased funds for institutional grants and special project grants for pharmacy and the other health professions.

There is a continuing need for National Institutes of Health research grant funds for pharmacy as well as for the other health professions. With about 75 per cent of all research funds for pharmacy being provided by Federal sources (primarily NIH), it is urgent that such funds continue to be provided at the 1969 level. This is a major source of funds for training graduate students who, in turn, staff the faculties of our schools and the research laboratories of industry. The fact that schools of pharmacy had about 120 staff vacancies in September, 1969, emphasizes the need for funds to assist in advanced training of personnel.

There is an increasing requirement for pharmacists as manpower output in other health disciplines is expanded. There were nearly 1.2 billion prescriptions filled in 1968, an increase of about 83 million over 1967. It has been estimated that pharmacists will be called on to fill 3.1 billion prescriptions by 1978.

The pharmacist to population ratio of 68:100,000 in 1951 has declined to 61:100,000 in 1968 in the face of increasing demands by the public for the delivery of health services. With a ratio of at least 61.2:100,000 deemed essential, there is a current need for 6,000 graduates a year, whereas in 1969 schools of pharmacy graduated but 4,255. Thus, every effort must be made to increase enrollments and to strengthen and expand both undergraduate and graduate programs. Full funding of the programs of the Bureau of Health Professions Education and Manpower Training is an essential first step to this end. This was expressed to Senator Warren G. Magnuson in a letter dated October 27, 1969.

Enclosed with this statement is a table giving the loan allocations and scholarship allocations made by the Bureau of Health Professions Education and Manpower Training for fiscal years 1968-1970.

Sincerely yours,

CHARLES W. BLIVEN,
Executive Secretary.

HEALTH PROFESSIONS STUDENT LOAN PROGRAM AND EDUCATION EXPENSE—PHARMACY

Fiscal year	Amount requested	Amount allocated	Percent of request	Participating schools		Number of students assisted	Percent of students assisted	Average loan	Educational expense ²
				Number	Enrollment				
1968	\$1,972,803	\$1,810,357	91.7	48	10,025	2,105	21	\$771	\$3,601
1969	2,054,645	2,019,517	98.2	51	10,907	2,541	23	758	3,778
1970	2,356,458	1,797,219	76.0	53	13,021	2,325	18	773	4,008

¹ Estimated.

² Tuition, fees, books and supplies, equipment, room and board, and personal expenses per student.

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70—SCHOOLS OF PHARMACY

[Fiscal years]

Name of institution	Enrollments			Loan allocations			Scholarship allocations		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
Auburn University	226	225	245	0	25,920	8,640	31,909	56,700	48,500
Stanford University			260	0	0	25,650	0	0	34,200
University of Arizona	217	210	218	32,000	36,000	36,000	24,600	42,800	43,600
University of Arkansas	129	134	139	63,734	59,276	30,088	16,410	27,000	27,800
University of the Pacific	285	396	457	129,055	149,448	98,925	27,898	51,000	91,400
University of California	337	327	342	56,000	69,210	74,031	31,544	28,704	68,400
University of Southern California	417	411	412	170,000	199,424	89,184	36,467	63,467	80,000
University of Colorado	112	124	122	22,000	23,396	12,600	11,852	24,100	18,700
University of Connecticut	231	216	212	0	9,900	0	28,080	50,000	42,400
Howard University	110	204	210	0	13,176	12,136	29,721	24,000	14,060
Florida A. & M. University	64	74	101	18,000	36,000	21,862	12,764	19,000	20,200
University of Florida	237	214	245	0	0	23,933	43,761	58,800	49,000
Mercer University	193	212	216	20,000	30,000	32,750	24,980	30,200	32,850
University of Georgia	406	425	465	0	0	0	67,465	93,000	93,000
Idaho State University	106	109	131	15,000	24,960	28,356	14,040	23,800	26,200
University of Illinois	380	603	598	45,000	50,400	78,615	53,789	50,000	56,000
Butler University	105	112	132	0	0	0	15,499	24,500	26,400
Purdue University	311	451	450	31,000	14,670	6,750	41,938	64,000	76,500
Drake University	169	179	193	36,000	37,800	41,777	23,521	35,200	38,600
University of Iowa	178	278	305	58,000	24,219	12,753	24,433	38,000	38,000
University of Kansas	151	180	178	27,000	34,200	36,000	20,786	34,000	35,600
University of Kentucky	155	170	185	36,000	17,000	8,500	20,057	30,000	25,000
Northeast Louisiana State College	394	399	426	40,000	45,000	55,000	54,833	75,000	80,000
Xavier University	47	66	75	23,000	34,125	14,785	10,029	17,000	15,000
University of Maryland	143	154	168	18,000	15,300	12,600	17,322	29,800	10,000
Massachusetts College of Pharmacy	323	623	623	0	0	0	40,479	65,000	62,000
Northeastern University	145	297	312	29,000	45,630	30,960	22,245	33,000	61,950
Ferris State College	258	271	285	18,000	25,200	22,500	32,821	33,750	35,000
University of Michigan	91	173	197	13,000	11,340	12,150	11,305	7,500	16,000
Wayne State University	127	143	163	10,000	5,490	8,820	16,410	21,300	16,500
University of Minnesota	252	287	304	27,000	36,900	65,805	31,909	57,000	60,800
University of Mississippi	221	240	288	99,000	47,092	62,342	30,268	52,000	57,600
St. Louis College of Pharmacy	265	269	272	0	42,300	49,995	32,274	55,200	54,400
University of Missouri	120	183	195	32,000	35,047	42,210	15,681	24,600	24,800
University of Montana	101	92	117	0	0	0	14,952	20,000	23,400
Creighton University	104	138	150	18,000	18,000	27,000	16,046	23,600	30,000
University of Nebraska	176	236	236	0	0	0	29,174	15,000	7,401
Rutgers, the State University	138	282	340	0	0	0	20,969	15,000	23,400
University of New Mexico	95	113	120	0	0	0	12,764	18,724	21,570
Columbia University	177	199	210	0	0	0	25,527	36,600	42,000
Fordham University	137	173	120	0	0	0	20,057	29,000	24,000
Brooklyn College of Pharmacy	268	232	234	0	0	0	8,000	37,900	66,400
St. John's University	198	185	160	22,000	22,500	17,200	30,086	25,000	25,000
Albany College of Pharmacy	243	412	393	0	0	0	31,180	46,200	67,000
State University of New York	152	173	196	77,568	0	0	21,333	36,400	39,200
University of North Carolina	302	359	382	0	0	0	35,191	73,000	93,850
North Dakota University	240	421	500	90,000	90,000	21,404	37,379	48,500	48,510
Ohio Northern University	93	127	161	22,000	46,000	34,851	16,228	28,400	32,200
Ohio State University	179	173	198	16,000	16,200	4,500	25,183	41,000	39,600
University of Cincinnati	170	278	291	15,000	0	5,000	27,351	34,600	58,200
University of Toledo	81	98	117	13,000	12,300	600	11,305	14,600	11,000

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70—SCHOOLS OF PHARMACY—Continued

(Fiscal years)

Name of institution	Enrollments			Loan allocations			Scholarship allocations		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
Southwestern State College.....	331	354	403	90,000	135,000	87,236	44,673	74,400	80,600
University of Oklahoma.....	155	227	240	0	0	0	27,351	46,000	48,000
Oregon State University.....	216	237	252	31,000	43,200	38,540	29,903	26,400	42,500
Duquesne University.....	99	107	105	11,000	15,840	12,600	13,311	21,000	21,000
Philadelphia College of Pharmacy.....	312	351	350	120,000	97,000	75,763	43,761	66,000	68,400
Temple University.....	183	197	222	25,000	47,328	48,054	30,086	42,400	44,000
University of Pittsburgh.....	149	166	176	6,000	21,915	9,450	22,792	31,000	26,000
University of Rhode Island.....	85	228	252	13,000	17,100	8,532	18,234	21,200	20,050
Medical College of South Carolina.....	96	82	90	3,000	2,985	6,435	13,128	19,200	18,000
University of South Carolina.....	135	196	200	0	0	22,500	19,145	27,940	40,000
South Dakota State University.....	168	174	184	0	0	0	3,000	10,400	10,500
University of Tennessee.....	275	294	294	0	0	0	35,738	56,600	58,800
Texas Southern University.....	153	164	180	0	0	0	22,792	34,000	36,000
University of Houston.....	334	323	410	27,000	67,500	74,250	39,385	71,400	82,000
University of Texas.....	412	386	386	0	0	0	31,909	43,200	55,000
University of Utah.....	163	191	205	0	0	0	20,057	35,000	35,000
Medical College of Virginia.....	210	234	195	18,000	22,050	34,200	26,074	32,000	33,000
University of Washington.....	201	221	239	0	0	0	22,792	37,000	37,600
Washington State University.....	123	127	146	0	0	30,591	15,134	18,000	29,200
West Virginia University.....	130	147	176	55,000	48,855	38,097	17,504	29,800	35,200
University of Wisconsin.....	397	455	485	36,000	65,700	53,100	53,789	57,500	56,000
University of Wyoming.....	64	64	78	0	0	0	8,388	15,200	15,600
University of Puerto Rico.....	189	213	229	34,000	31,623	14,402	27,351	30,403	35,540
Total.....	14,340	17,188	18,546	1,810,357	2,019,517	1,725,422	1,886,142	2,730,586	3,061,181

AMERICAN ASSOCIATION OF COLLEGES
OF PODIATRIC MEDICINE,
December 2, 1969.HON. EDWARD M. KENNEDY,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: The American Association of Colleges of Podiatric Medicine and the American Podiatry Association are gravely concerned with the effects that the recent cutbacks in health appropriations will have on podiatric education and the other recognized health professions.

The attached fact sheet for student loans from the Health Professions Educational Assistance Act clearly points-up the severity of the problem. For the 1968-69 academic year, 304 students received \$307,101, an average loan of \$1,010 per student. For the 1969-70 academic year, 360 students will receive \$156,286, an average loan of \$433.13 per student. Further translated this year's loan

funds for podiatry students represent a gross cutback of 49.1% or a 56.6% cut per student recipient.

In the 1968-69 academic year the colleges of podiatric medicine pointed out that, without the student loans, one-half of the student body would either have been totally unable to continue their podiatric education or would have been forced to seek less desirable forms of educational assistance. As the accompanying fact sheet reveals, the effect on podiatric education this year poses serious ramifications for podiatric education.

The American Association of Colleges of Podiatric Medicine urges the United States Senate to seriously evaluate the disastrous effects these cutbacks will have on providing the needed health manpower necessary to meet the health needs of our nation.

Very truly yours,

ROBERT W. OLIVER,
Executive Director.

H.P.E.A. STUDENT LOANS FACT SHEET

College	1968-69 requested	1968-69 funded	Number of students	1969-70 requested	1969-70 funded	Number of students
Ohio.....	(\$228,000)	\$144,213	138	(\$198,000)	\$73,165	165
Pennsylvania.....	(120,134)	75,790	62	(140,800)	38,097	64
California.....	(130,000)	87,098	104	(141,480)	45,024	131
Total.....	(478,134)	307,101	304	(480,280)	156,286	360

NOTES

1968-69: Requested \$478,134 to support 304 students; received \$307,101 (64.2 percent), averaging \$1,010.20 per student.
1969-70: Requested \$480,280 to support 360 students; will receive \$156,286 (32.5 percent), averaging \$433.13 per student.
Total funds for 1969-70 equals 50.9 percent of those in 1968-69, equals 49.1-percent cut.
Dollar support per student for 1969-70 equals 42.4 percent of 1968-69 equals 56.6-percent cut per student.

AMERICAN VETERINARY MEDICAL
ASSOCIATION,

December 2, 1969.

Senator EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This is in response to your inquiry on the effects of the proposed Federal funding for health professions education and manpower training programs.

Education in the health professions is long and expensive. Without financial aid, only those students from well-to-do families can afford this education.

Veterinary medical students must complete a minimum of two years of preveterinary college training and an additional four years of professional training in a college of

veterinary medicine to earn their Doctor of Veterinary Medicine degree. However, the average graduate veterinarian has studied more than seven years to earn his D.V.M. degree. It is not possible for the student to pursue a veterinary medical career unless he can call upon significant resources to defray his educational expenses. This situation is particularly severe for those students coming from the economically disadvantaged areas. Few of these potential students can hope to become veterinarians today unless low interest loan funds or scholarships are made available to them.

For a number of years, the American Veterinary Medical Association and Committees of the Congress have pointed out that the output of veterinarians is falling behind the

minimum needs of the country. These same groups have formulated and supported programs to help alleviate this shortage. Funds are provided for the construction of facilities, for the improvement of training, for increasing enrollment, and for the conduct of research. These efforts must not be allowed to achieve less than their maximum productivity because of a shortage of funds for student support.

Community health, today, depends on the cooperative action of all disciplines in the health sciences. Added financial support of our undergraduate and graduate education programs must become available if we are to continue meeting even our minimum obligations. Recent studies conducted at several universities indicate that the cost of medical, dental, and veterinary education is identical.

Most students of the health professions are not searching for free gifts. They are, however, seriously looking for a source of funds that they can plan on having available during the required years of training, at interest rates and repayment schedules that will not seriously strain their abilities during their early career years.

Many veterinarians, at graduation, are approximately thirty years of age. Many are married and have children. If we are truly concerned with this segment of our society, and with the future strength of our medical science resources, the existing Health Professions Student Loan and Scholarship programs, as now constituted, must be continued and expanded.

The attached table indicates the effects of the proposed budget decreases in the veterinary student loan programs. The figures show that, for the three years in which veterinary colleges have been eligible for student loans, the number of veterinary colleges participating has increased, the number of students applying for help has increased, and the amount of money available has decreased.

Sincerely,

FRANK A. TODD, D.V.M.,
Washington Representative.

STUDENT LOANS

Year	Number of schools applied	Enrollment
1968.....	12	2,561
1969.....	14	3,774
1970.....	18	4,895

STUDENTS ASSISTED BY HEALTH PROFESSION LOANS

Year	Percent	Average loan per student
1968.....	31	\$1,184
1969.....	28	1,212
1970 ¹	16	1,184

¹ Estimated.

Year	Total requested	Total allocated	Percentage funded
1968.....	\$1,291,900	\$1,154,786	89.3
1969.....	1,581,655	1,308,777	82.7
1970.....	1,703,333	1,929,395	54.0

¹ Estimated.

Year	Cost of veterinary education per student per year	Purpose
1968.....	\$3,888	Tuition, fees, board and room, books, supplies and equipment, and personal expenses.
1969.....	4,087	
1970.....	4,253	

AMERICAN DENTAL ASSOCIATION,
December 2, 1969.

HON. EDWARD M. KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: Attached is a brief statement relating to the urgent need for full-funding of the Health Manpower Act in order to alleviate the critical financial problems in dental education.

Sincerely yours,

HAL M. CHRISTENSEN,
Director, Washington Office.

STATEMENT OF AMERICAN DENTAL ASSOCIATION

This is a brief statement on the severe financial needs of this nation's dental schools and the consequent necessity for full-funding of the Health Manpower Act.

The statement presupposes a knowledge of the vast unmet need for dental care among lower income groups and the existing and projected shortage of professional and auxiliary dental manpower.

In the last two years two dental schools, St. Louis University (Mo.) and Loyola University (New Orleans) have announced the closing of their dental schools for financial reasons.

Six additional schools can be identified which are confronted with the possibility of closing in the near future unless additional financial support is forthcoming.

At least 20 other schools are in extremely serious financial difficulty. Most of these schools are other than public supported institutions.

Last year, dental schools had average operating deficits in the neighborhood of \$1,000,000 representing the difference between tuition and clinic income and the actual cost of education.

In order to reduce these deficits and keep many of the existing schools in operation, increased funding for the institutional grant program under the Health Professions Educational Assistance Act is imperative.

The six schools referred to above represent a total of 365 first-year dental student places that are in danger of being lost at a time when the dentist to population ratio is declining and when millions of federal-state dollars are being spent to build additional new schools.

With respect to dental school construction funds, there is a current backlog of exist-

ing applications of about \$51 million. The House bill appropriates \$23.6 million.

The situation with regard to student assistance also is of serious proportions, particularly if the amounts requested by the administration and the House action are allowed to stand.

Fifty-two dental schools have requested \$10.8 million for student loans in fiscal year 1970. Only \$3.6 million will be available for dental students—34 per cent of the amount requested.

The \$3.6 million will assist 2,900 dental students (19 per cent of enrollment) as against 6,375 students who received loan assistance in fiscal 1969.

It should be noted that the effect of the House action in transferring \$4.8 million from scholarships to loans does not increase the number of students who can be helped but merely changes the mechanism of support. Moreover, the reduction of scholarship support falls most heavily upon freshman students from low-income families. The total effect of the House action could deny scholarship support to over 4,000 health professions students if the schools were to continue to assist students on the same basis as in fiscal 1969.

It should be obvious from the foregoing brief and cursory description of the problems just in dental education that failure of Congress to appropriate the full amounts authorized under the Health Professions Educational Assistance Act would be a grave and perhaps irretrievable mistake.

The manpower shortage is at the heart of this country's health care problem. Full-funding of authorized programs to relieve this shortage is the very least that Congress can and should contribute in the best interests of all our people.

AMERICAN OPTICAL ASSOCIATION,
December 1, 1969.

HON. EDWARD M. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR MR. KENNEDY: Attached, in accordance with your request, is a statement describing the impact on the schools and colleges of optometry of the House-passed HEW appropriations bill for Fiscal Year 1970.

I hope this information will be of interest to you.

Cordially,

SPURGEON B. EURE, O.D.,
President, Association of Schools
and College of Optometry.

IMPACT OF HOUSE-PASSED APPROPRIATIONS
BILL ON SCHOOLS OF OPTOMETRY
LOANS

Shock and dismay are the only terms adequate to describe the reactions expressed by members of the Association of Schools and Colleges of Optometry and the optometric community to the recent announcement of cutbacks in the student loan program authorized by the Health Professions Educational Assistance Act. The loan fund for health professions students will be reduced from \$26-million in fiscal year 1969 to \$15-million in fiscal year 1970. Allocations for fiscal year 1970 average only 31.8% of the amounts requested by schools and colleges of optometry.

Severe cutbacks in student loan allocations to schools and colleges of optometry come at the very time our schools are seeking methods of increasing by some 41% the number of students to be assisted by these loans. During fiscal year 1969, 739 students, or 33% of all optometry students, were aided by this program. Requests for fiscal year 1970 were based on the need for increasing to 1041 the number of students who could be helped toward completion of their courses

of professional education. Imposition of the extreme reductions seriously impairs the student loan program for optometry students.

The attached table illustrates the severity of the loan fund cutback and the discrepancies between the amounts of loan assistance requested by each optometry school and the amounts allocated by the Department of Health, Education and Welfare.

The meager \$4.8 million loan fund increase over the Administration request, if passed and eventually allocated, would still fall short of the amounts needed.

SCHOLARSHIPS

The House-passed bill, reducing by 30% the amount of the scholarship fund, would have a disastrously confusing effect on the financial assistance programs of the schools of optometry. The money has already been allocated to the schools by HEW and much of it has already been awarded to students in need of help. If the House-passed bill prevails, optometry schools could be forced to give back to the Federal treasury approximately \$150,000.

CONSTRUCTION

The House-passed bill allows only \$118,100,000 for construction assistance to health professions schools, including optometry schools, instead of the \$170,000,000 authorized by the Health Manpower Act of 1968.

This very important program should not be under-funded, but should be utilized to the fullest. Since the inception of the construction assistance program, five schools of optometry have been awarded assistance in the total amount of \$5,137,307 which provided for an increase of 157 first-year optometry students. Six more schools are expected to apply in the near future.

INSTITUTIONAL SUPPORT

In Fiscal Year 1969, eight optometry schools received Special Project Grants totaling \$1,685,485. In Fiscal Year 1970, all 11 optometry schools have applied for Special Project Grants.

In Fiscal Year 1969, all ten schools received Institutional (Basic Improvement) Grants totaling \$1,480,500. In Fiscal Year 1970, many more health professions schools will be eligible for these grants, and therefore, each school's proportion of the total amount will decrease.

For these reasons, it is important that the Institutional Support appropriation be fully-funded. The House-passed bill would appropriate only \$101,400,000 of the \$117,000,000 authorized for the health professions schools, including optometry schools.

SCHOOLS OF OPTOMETRY—LOANS

Number of schools	Fiscal year	Amount
9.....	1965	\$302,161
9.....	1966	493,362
10.....	1967	869,782
10.....	1968	856,113
10.....	1969	886,332
10.....	1970	515,581

School	Fiscal year 1970 requested	Fiscal year 1970 allotted
Los Angeles.....	\$135,400	\$51,302
Berkeley.....	70,020	38,097
Illinois.....	385,000	66,239
Indiana.....	149,490	43,076
Massachusetts.....	10,800	10,800
Ohio State.....	39,600	39,600
Pacific.....	106,700	52,384
Pennsylvania.....	414,000	93,946
Southern.....	260,000	72,732
Houston.....	49,500	47,405
Total.....	1,620,510	515,581

Note: Loan funds for the 1969-70 school year are allotted from the fiscal year 1970 budget.

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Medical College of Alabama:			
Loans	\$157,064	\$72,300	—\$84,764
Scholarships	50,000	69,800	+19,800
Total	207,064	142,100	—64,964
University of Arizona:			
Loans	30,461	27,708	—2,753
Scholarships	12,800	25,600	+12,800
Total	43,261	53,308	+10,047
University of Arkansas:			
Loans	192,285	88,103	+104,182
Scholarships	54,625	81,400	+26,775
Total	246,910	169,503	—77,407
Loma Linda University:			
Loans	175,151	81,609	—93,542
Scholarships	46,800	61,000	+14,200
Total	221,951	142,609	—79,342
University of California—Irvine:			
Loans	125,175	54,334	—70,841
Scholarships	35,200	50,200	+15,000
Total	160,375	104,534	—55,841
Stanford University:			
Loans	158,492	76,846	—81,646
Scholarships	40,800	57,400	+16,600
Total	199,292	134,246	—65,046
University of California—Davis:			
Loans	22,845	21,646	—1,199
Scholarships	9,600	20,000	+10,400
Total	32,445	41,646	+9,201
University of California—La Jolla:			
Loans	22,845	21,430	—1,415
Scholarships	9,600	19,800	+10,200
Total	32,445	41,230	+8,785
University of California—Los Angeles:			
Loans	186,574	97,410	—89,164
Scholarships	64,400	90,000	+25,600
Total	250,974	187,410	—63,564
University of California—San Francisco:			
Loans	212,000	114,729	—97,271
Scholarships	78,000	105,227	+27,227
Total	290,000	219,956	—70,044
University of Southern California:			
Loans	136,598	65,806	—70,792
Scholarships	43,400	60,800	+17,400
Total	179,998	126,606	—53,392
University of Colorado:			
Loans	168,487	86,587	—81,900
Scholarships	54,800	80,000	+25,200
Total	223,287	166,587	—56,700
University of Connecticut:			
Loans	14,277	13,637	—640
Scholarships	6,000	12,600	+6,600
Total	20,277	26,237	+5,960
Yale University:			
Loans	167,535	78,578	—88,957
Scholarships	52,600	68,800	+16,200
Total	220,135	147,378	—72,757
Georgetown University:			
Loans	218,939	103,039	—115,900
Scholarships	70,000	95,200	+25,200
Total	288,939	198,239	—90,700
George Washington University:			
Loans	197,520	94,163	—103,357
Scholarships	59,875	81,075	+21,200
Total	257,395	175,238	—82,157
Howard University:			
Loans	196,568	90,050	—106,518
Scholarships	42,000	72,640	+30,640
Total	238,568	162,690	—75,878

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
University of Florida:			
Loans	\$112,525	\$54,118	—\$58,407
Scholarships	36,000	48,000	+12,000
Total	148,525	102,118	—46,407
University of Miami:			
Loans	159,920	78,578	—81,342
Scholarships	48,000	68,000	+20,000
Total	207,920	146,578	—61,342
Emory University:			
Loans	\$135,000	65,373	—69,627
Scholarships	46,000	60,400	+14,400
Total	181,000	125,773	—55,227
Medical College of Georgia:			
Loans	95,931	89,401	—6,530
Scholarships	47,900	76,000	+28,100
Total	143,831	165,401	+21,570
University of Hawaii:			
Loans	24,887	16,235	—8,652
Scholarships	11,600	15,000	+3,400
Total	36,487	31,235	—5,252
Chicago Medical School:			
Loans	43,966	49,710	+5,744
Scholarships	43,600	61,200	+17,600
Total	87,566	110,910	+23,344
Loyola University:			
Loans	178,958	87,020	—91,938
Scholarships	58,000	80,400	+22,400
Total	236,958	167,420	—69,538
Northwestern University:			
Loans	262,250	122,305	—139,945
Scholarships	82,400	113,000	+30,600
Total	344,650	235,305	—109,345
University of Chicago:			
Loans	145,166	71,002	—74,164
Scholarships	46,400	65,600	+19,200
Total	191,566	136,602	—54,964
University of Illinois:			
Loans	202,500	169,716	—32,784
Scholarships	80,000	126,400	+46,400
Total	282,500	296,116	+13,616
Indiana University:			
Loans	375,531	193,318	—182,213
Scholarships	120,000	178,000	+58,000
Total	495,531	371,318	—124,213
University of Iowa:			
Loans	236,549	107,151	—129,398
Scholarships	74,000	98,000	+24,000
Total	310,549	205,151	—105,398
University of Kansas:			
Loans	230,362	108,235	—122,127
Scholarships	65,000	90,000	+25,000
Total	295,362	198,235	—97,127
University of Kentucky:			
Loans	145,643	67,971	—77,672
Scholarships	47,600	62,800	+15,200
Total	193,243	130,771	—62,472
University of Louisville:			
Loans	176,103	79,660	—96,443
Scholarships	56,000	72,000	+16,000
Total	232,103	151,660	—80,443
Louisiana State University—New Orleans:			
Loans	251,303	112,997	—138,306
Scholarships	78,000	104,400	+26,400
Total	329,303	217,397	—111,906
Tulane University:			
Loans	245,116	111,697	—133,419
Scholarships	78,400	103,200	+24,800
Total	323,516	214,897	—108,619

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Johns Hopkins University:			
Loans	\$178,006	\$83,557	—\$94,449
Scholarships	57,000	77,200	+20,200
Total	235,006	160,757	—74,249
University of Maryland:			
Loans	225,000	116,892	—108,108
Scholarships	71,000	99,000	+28,000
Total	296,000	215,892	—80,108
Boston University:			
Loans	105,300	71,651	—33,649
Scholarships	45,800	66,200	+20,400
Total	151,100	137,851	—13,249
Harvard Medical School:			
Loans	277,005	122,954	—154,051
Scholarships	83,400	111,200	+27,800
Total	360,405	234,154	—126,251
Tufts University:			
Loans	91,159	106,070	+14,911
Scholarships	70,400	98,000	+27,600
Total	161,559	204,070	+42,511
Michigan State University:			
Loans	30,600	18,832	—11,768
Scholarships	15,600	17,400	+1,800
Total	46,200	36,232	—9,968
University of Michigan:			
Loans	384,099	174,694	—209,405
Scholarships	121,600	160,000	+38,400
Total	505,699	334,694	—170,005
Wayne State University:			
Loans	254,635	120,573	—134,062
Scholarships	81,600	111,400	+29,600
Total	336,435	231,973	—104,462
University of Minnesota:			
Loans	205,200	141,355	—63,845
Scholarships	99,400	130,600	+31,200
Total	304,600	271,955	—32,645
University of Mississippi:			
Loans	152,780	71,218	—81,562
Scholarships	48,800	65,800	+17,000
Total	201,580	137,018	—64,562
St. Louis University:			
Loans	220,842	105,420	—115,422
Scholarships	72,000	94,000	+22,000
Total	292,842	199,420	—93,422
University of Missouri:			
Loans	171,819	77,496	—94,323
Scholarships	51,000	68,000	+17,000
Total	222,819	145,496	—77,323
Washington University:			
Loans	173,247	81,176	—92,071
Scholarships	56,200	75,000	+18,800
Total	229,447	156,176	—73,271
Creighton University:			
Loans	139,500	67,105	—72,395
Scholarships	48,200	62,000	+13,800
Total	187,700	129,105	—58,595
University of Nebraska:			
Loans	85,500	84,638	—862
Scholarships	34,000	53,000	+19,000
Total	119,500	137,638	+18,138
Dartmouth Medical School:			
Loans	45,000	22,945	—22,055
Scholarships	20,200	21,200	+1,000
Total	65,200	44,145	—21,055
New Jersey College of Medicine:			
Loans	157,541	66,240	—91,301
Scholarships	46,800	61,200	+14,400
Total	204,341	127,440	—76,901

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Rutgers—The State University:			
Loans	\$9,788	\$6,612	—\$3,176
Scholarships	6,400	6,400	0
Total	16,188	13,012	—3,176
University of New Mexico:			
Loans	47,118	24,677	—\$22,441
Scholarships	16,600	22,800	+6,200
Total	63,718	47,477	—16,241
Columbia University:			
Loans	127,000	108,451	—18,549
Scholarships	76,000	100,000	+24,000
Total	203,000	208,451	+5,451
Cornell University:			
Loans	72,000	76,846	+4,846
Scholarships	52,500	70,000	+17,500
Total	124,500	146,846	+22,346
Mount Sinai School of Medicine:			
Loans	23,797	26,842	+3,045
Scholarships	10,000	24,800	+14,800
Total	33,797	51,642	+17,845
New York Medical College:			
Loans	242,260	114,079	—128,181
Scholarships	79,200	105,400	+26,200
Total	321,460	219,479	—101,981
New York University:			
Loans	206,762	116,027	—90,735
Scholarships	78,000	107,200	+29,200
Total	284,762	223,227	—61,535
State University of New York—Brooklyn:			
Loans	198,000	167,766	—30,234
Scholarships	116,000	155,000	+39,000
Total	314,000	322,766	+8,766
State University of New York—Syracuse:			
Loans	138,600	87,886	—50,714
Scholarships	56,700	71,800	+15,100
Total	195,300	159,686	—35,614
Albany Medical College:			
Loans	133,742	62,127	—71,615
Scholarships	42,200	57,400	+15,200
Total	175,942	119,527	—56,415
State University of New York—Buffalo:			
Loans	193,712	89,185	—104,527
Scholarships	61,400	82,000	+20,600
Total	255,112	171,185	—83,927
University of Rochester:			
Loans	133,900	66,672	—67,228
Scholarships	45,200	61,600	+16,400
Total	179,100	128,272	—50,828
Yeshiva University:			
Loans	192,295	96,545	—95,740
Scholarships	61,600	89,200	+27,600
Total	253,895	185,745	—68,140
Duke University:			
Loans	56,500	75,114	+18,614
Scholarships	50,600	67,600	+17,000
Total	107,100	142,714	+35,614
University of North Carolina:			
Loans	66,600	54,000	—12,600
Scholarships	42,000	59,000	+17,000
Total	108,600	113,000	+4,400
Bowman-Gray School of Medicine:			
Loans	108,993	53,467	—55,526
Scholarships	34,400	49,400	+15,000
Total	143,393	102,867	—40,526
University of North Dakota:			
Loans	29,000	20,564	—8,436
Scholarships	16,250	19,000	+2,750
Total	45,250	39,564	—5,686

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Ohio State University:			
Loans	\$135,000	\$134,643	—\$357
Scholarships	92,800	124,400	+31,600
Total	227,800	259,043	+31,243
University of Cincinnati:			
Loans	140,000	92,648	—47,352
Scholarships	62,600	85,600	+23,000
Total	202,600	178,248	—24,352
Western Reserve University:			
Loans	167,059	77,927	—89,132
Scholarships	52,800	72,000	+19,200
Total	219,859	149,927	—69,932
University of Oklahoma:			
Loans	196,568	95,678	—100,890
Scholarships	62,000	88,400	+26,400
Total	258,568	184,078	—74,490
University of Oregon:			
Loans	167,059	76,629	—90,430
Scholarships	25,000	16,000	—9,000
Total	192,059	92,629	—99,430
Hahnemann Medical College:			
Loans	207,038	96,111	—110,927
Scholarships	67,000	88,800	+21,800
Total	274,038	184,911	—89,127
Jefferson Medical College:			
Loans	344,114	159,539	—184,575
Scholarships	111,000	147,400	+36,400
Total	455,114	306,939	—148,175
Pennsylvania State University:			
Loans	41,881	32,685	—9,196
Scholarships	17,600	30,200	+12,600
Total	59,481	62,885	+3,404
Temple University:			
Loans	164,162	127,932	—36,230
Scholarships	85,000	118,200	+33,200
Total	249,162	246,132	—3,030
University of Pennsylvania:			
Loans	157,500	118,624	—38,876
Scholarships	78,000	109,600	+31,600
Total	235,500	228,224	—7,276
University of Pittsburgh:			
Loans	152,863	88,318	—64,545
Scholarships	63,200	81,600	+18,400
Total	216,063	169,918	—46,145
Womens' Medical College:			
Loans	118,035	51,951	—66,084
Scholarships	37,600	48,000	+10,400
Total	155,635	99,951	—55,684
Brown University:			
Loans	9,518	4,112	—5,406
Scholarships	4,000	3,800	—200
Total	13,518	7,912	—5,606
Medical College of South Carolina:			
Loans	45,000	67,500	+22,500
Scholarships	48,000	48,000	0
Total	93,000	115,500	+22,500
University of South Dakota:			
Loans	46,166	20,563	—25,603
Scholarships	19,400	19,000	—400
Total	65,566	39,563	—26,003
Meharry Medical College:			
Loans	131,837	65,372	—66,465
Scholarships	45,600	60,400	+14,800
Total	177,437	125,772	—51,665
University of Tennessee:			
Loans	0	0	0
Scholarships	119,334	148,800	+29,466
Total	119,334	148,800	+29,466

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO MEDICAL SCHOOLS, FISCAL YEARS 1969 AND 1970—Continued

Medical school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Vanderbilt University:			
Loans	\$110,420	\$50,652	—\$59,768
Scholarships	35,200	46,800	+11,600
Total	145,620	97,452	—48,168
Baylor University:			
Loans	155,913	74,464	—81,449
Scholarships	51,200	68,800	+17,600
Total	207,113	143,264	—63,849
University of Texas—Galveston:			
Loans	224,238	131,179	—93,059
Scholarships	88,000	93,080	+5,080
Total	312,238	224,259	—87,979
University of Texas—Dallas:			
Loans	116,100	91,565	—24,535
Scholarships	56,000	75,000	+19,000
Total	172,100	166,565	—5,535
University of Texas—San Antonio:			
Loans	46,080	49,570	+3,490
Scholarships	20,800	45,800	+25,000
Total	66,880	95,370	+28,490
University of Utah:			
Loans	124,699	56,281	—68,418
Scholarships	38,400	52,000	+13,600
Total	163,099	108,281	—54,818
University of Vermont:			
Loans	85,500	54,333	—31,167
Scholarships	36,200	45,000	+8,800
Total	121,700	99,333	—22,367
Medical College of Virginia:			
Loans	168,300	99,790	—68,510
Scholarships	64,000	88,000	+24,000
Total	232,300	187,790	—44,510
University of Virginia:			
Loans	63,000	63,000	0
Scholarships	45,000	66,000	+21,000
Total	108,000	129,000	+21,000
University of Washington:			
Loans	122,159	74,031	—48,128
Scholarships	49,800	68,400	+18,600
Total	171,959	142,431	—29,528
West Virginia University:			
Loans	26,100	58,012	+31,912
Scholarships	38,800	53,600	+14,800
Total	64,900	111,612	+46,712
Marquette University:			
Loans	195,616	90,049	—105,567
Scholarships	63,400	83,200	+19,800
Total	259,016	173,249	—85,767
University of Wisconsin:			
Loans	192,760	89,400	—103,360
Scholarships	62,000	82,600	+20,600
Total	254,760	172,000	—82,760
University of Puerto Rico:			
Loans	104,225	65,155	—39,070
Scholarships	41,000	60,200	+19,200
Total	145,225	125,355	—19,870
Louisiana State University—Shreveport:			
Loans		6,925	+6,925
Scholarships		6,400	+6,400
Total		13,325	+13,325
Medical College of Ohio:			
Loans		7,576	+7,576
Scholarships		7,000	+7,000
Total		14,576	+14,576
Grand total:			
Loans	14,240,726	7,924,353	—6,316,373
Scholarships	5,292,984	7,225,822	+1,932,838
Total	19,533,710	15,150,175	—4,383,535

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70

Dental school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
University of Alabama:			
Loans.....	\$101,377	\$45,124	—\$56,353
Scholarships.....	29,500	40,000	+10,500
Total.....	130,877	85,024	—45,853
Loma Linda University:			
Loans.....	113,275	56,281	—56,994
Scholarships.....	31,000	40,000	+9,000
Total.....	144,275	96,281	—47,994
University of the Pacific:			
Loans.....	144,689	73,165	—71,524
Scholarships.....	42,000	67,600	+25,600
Total.....	186,689	140,765	—45,924
University of California—Los Angeles:			
Loans.....	143,260	78,577	—64,683
Scholarships.....	54,400	72,600	+18,200
Total.....	197,660	151,177	—46,483
University of California—San Francisco:			
Loans.....	138,025	64,506	—73,519
Scholarships.....	43,400	59,600	+16,200
Total.....	181,425	124,106	—57,319
University of Southern California:			
Loans.....	211,322	100,441	—110,881
Scholarships.....	67,600	88,000	+20,400
Total.....	278,922	188,441	—90,481
University of Connecticut:			
Loans.....	8,566	7,141	—1,425
Scholarships.....	3,600	6,600	+3,000
Total.....	12,166	13,741	+1,575
Georgetown University:			
Loans.....	192,760	90,266	—102,494
Scholarships.....	63,600	83,400	+19,800
Total.....	256,360	173,666	—82,694
Howard University:			
Loans.....	151,352	72,948	—78,404
Scholarships.....	50,000	67,400	+17,400
Total.....	201,352	140,348	—61,004
Emory University:			
Loans.....	—152,305	70,351	—81,954
Scholarships.....	48,600	65,000	+16,400
Total.....	200,905	135,351	—65,554
Medical College of Georgia:			
Loans.....		5,194	
Scholarships.....		4,800	
Total.....		9,994	+9,994
Loyola University:			
Loans.....	193,236	94,812	—98,424
Scholarships.....	64,000	87,600	+23,600
Total.....	257,236	182,412	—74,824
Northwestern University:			
Loans.....	148,020	70,784	—77,236
Scholarships.....	48,200	+65,400	+17,200
Total.....	196,220	136,184	—60,036
University of Illinois:			
Loans.....	171,342	81,824	—89,518
Scholarships.....	40,000	72,150	+32,150
Total.....	211,342	153,974	—57,368
Indiana University:			
Loans.....	183,717	85,505	—98,212
Scholarships.....	58,200	79,000	+20,800
Total.....	241,917	164,505	—77,412
University of Iowa:			
Loans.....	110,420	49,786	—60,634
Scholarships.....	35,600	46,000	+10,400
Total.....	146,020	95,786	—50,234
University of Kentucky:			
Loans.....	89,001	43,508	—45,493
Scholarships.....	30,600	40,200	+9,600
Total.....	119,601	83,708	—35,893

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70—Continued

Dental school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
University of Louisville:			
Loans.....	\$108,992	\$51,302	—\$57,690
Scholarships.....	36,000	46,050	+10,050
Total.....	144,992	97,352	—47,640
Louisiana State University:			
Loans.....	14,276	12,987	—1,289
Scholarships.....	6,000	12,000	+6,000
Total.....	20,276	24,987	+4,717
Loyola University:			
Loans.....	81,388	25,110	—56,278
Scholarships.....	22,400	23,200	+800
Total.....	103,788	48,310	—55,478
University of Maryland:			
Loans.....	188,000	91,781	—96,219
Scholarships.....	60,800	84,000	+23,200
Total.....	248,800	175,781	—73,019
Harvard University:			
Loans.....	27,128	13,419	—13,709
Scholarships.....	8,600	12,400	+3,800
Total.....	35,728	25,819	—9,909
Tufts University:			
Loans.....	195,616	91,998	—103,618
Scholarships.....	62,800	85,000	+22,200
Total.....	258,416	176,998	—81,418
University of Detroit:			
Loans.....	147,544	71,434	—76,110
Scholarships.....	48,000	64,000	+16,000
Total.....	195,544	135,434	—60,110
University of Michigan:			
Loans.....	177,529	87,668	—89,861
Scholarships.....	56,800	81,000	+24,200
Total.....	234,329	168,668	—65,661
University of Minnesota:			
Loans.....	201,600	92,214	—109,386
Scholarships.....	65,200	85,200	+20,000
Total.....	266,800	177,414	—89,386
St. Louis University:			
Loans.....	84,243	14,719	—69,524
Scholarships.....	25,200	13,600	—11,600
Total.....	109,443	28,319	—81,124
University of Missouri:			
Loans.....	226,077	109,749	—116,328
Scholarships.....	72,000	101,400	+29,400
Total.....	298,077	211,149	—86,928
Washington University:			
Loans.....	98,045	46,540	—51,505
Scholarships.....	29,545	39,945	+10,400
Total.....	127,590	86,485	—41,105
Creighton University:			
Loans.....	83,025	43,076	—39,949
Scholarships.....	29,800	39,800	+10,000
Total.....	112,825	82,876	—29,949
University of Nebraska:			
Loans.....	53,000	48,488	—4,512
Scholarships.....	30,000	44,000	+14,000
Total.....	83,000	92,488	+9,388
Fairleigh Dickinson University:			
Loans.....	84,500	46,323	—38,177
Scholarships.....	29,800	42,800	+13,000
Total.....	114,300	89,123	—25,177
New Jersey College:			
Loans.....	86,623	41,561	—45,062
Scholarships.....	29,200	38,400	+9,200
Total.....	115,823	79,961	—35,862
Columbia University:			
Loans.....	69,487	35,283	—34,204
Scholarships.....	24,600	32,600	+8,000
Total.....	94,087	67,883	—26,204

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70—Continued

Dental school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
New York University:			
Loans.....	\$325,553	\$149,147	—\$176,406
Scholarships.....	104,000	137,080	+33,800
Total.....	429,553	286,947	—142,606
State University of New York:			
Loans.....	136,120	63,207	—72,913
Scholarships.....	43,600	58,000	+14,400
Total.....	179,720	121,207	—58,513
University of North Carolina:			
Loans.....	97,569	46,756	—50,813
Scholarships.....	30,000	42,000	+12,000
Total.....	127,569	88,756	—38,813
Ohio State University:			
Loans.....	270,000	128,797	—141,203
Scholarships.....	91,000	119,000	+28,000
Total.....	361,000	247,797	—113,203
Western Reserve University:			
Loans.....	123,270	62,126	—61,144
Scholarships.....	39,000	57,400	+18,400
Total.....	162,270	119,526	—42,744
University of Oregon:			
Loans.....	151,828	69,918	—81,910
Scholarships.....	49,400	64,000	+14,600
Total.....	201,228	133,918	—67,310
Temple University:			
Loans.....	239,403	113,644	—125,759
Scholarships.....	79,600	100,400	+20,800
Total.....	319,003	214,044	—104,959
University of Pennsylvania:			
Loans.....	264,629	123,386	—141,243
Scholarships.....	86,000	114,000	+28,000
Total.....	350,629	237,386	—113,243
University of Pittsburgh:			
Loans.....	205,134	92,647	—112,487
Scholarships.....	60,000	85,600	+25,600
Total.....	265,134	178,247	—86,887
Medical College of South Carolina:			
Loans.....	12,150	14,935	+2,785
Scholarships.....	9,400	13,800	+4,400
Total.....	21,550	28,735	+7,185

HEALTH PROFESSIONS STUDENT LOAN AND SCHOLARSHIP ALLOCATIONS TO DENTAL SCHOOLS, FISCAL YEAR 1969-70—Continued

Dental school	Fiscal 1969 (actual)	Fiscal 1970 (budget requested)	Difference
Meharry Medical College:			
Loans.....	\$63,776	\$32,469	—\$31,307
Scholarships.....	21,600	30,000	+8,400
Total.....	85,376	62,469	—22,907
University of Tennessee:			
Loans.....	61,800	82,600	+20,800
Scholarships.....	61,800	82,600	+20,800
Total.....	123,600	165,200	+41,600
Baylor University:			
Loans.....	159,300	86,586	—72,714
Scholarships.....	60,000	80,000	+20,000
Total.....	219,300	166,586	—52,714
University of Texas:			
Loans.....	36,000	45,000	+9,000
Scholarships.....	58,000	77,000	+19,000
Total.....	94,000	122,000	+28,000
Medical College of Virginia:			
Loans.....	144,689	69,486	—75,203
Scholarships.....	42,000	43,000	+1,000
Total.....	186,689	112,486	—74,203
University of Washington:			
Loans.....	48,000	68,836	+20,836
Scholarships.....	48,000	63,600	+15,600
Total.....	96,000	132,436	+36,436
West Virginia University:			
Loans.....	81,000	47,189	—33,811
Scholarships.....	32,000	43,600	+11,600
Total.....	113,000	90,789	—22,211
Marquette University:			
Loans.....	224,173	101,522	—122,651
Scholarships.....	70,400	93,400	+23,000
Total.....	294,573	194,922	—99,651
University of Puerto Rico:			
Loans.....	63,300	31,386	—31,914
Scholarships.....	20,600	29,000	+8,400
Total.....	83,900	60,386	—23,514
Grand total:			
Loans.....	6,777,734	3,360,802	—3,416,932
Scholarships.....	2,354,245	3,164,945	+810,700
Total.....	9,131,979	6,525,747	—2,606,232

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70
SCHOOLS OF OSTEOPATHY

Name of institution	Enrollments			Loan allocations			Scholarship allocations		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
Chicago College of Osteopathy.....	279	296	304	164,303	141,356	65,805	28,080	46,000	60,800
College of Osteopathic Medicine and Surgery.....	333	334	340	189,318	160,871	73,599	31,544	50,000	68,000
Michigan College of Osteopathic Medicine.....	0	0	16	0	0	3,463	0	0	3,200
Kansas City College of Osteopathy.....	427	433	466	241,622	203,706	96,544	40,479	66,200	89,200
Kirsville College of Osteopathy.....	394	405	415	223,998	191,808	89,833	38,108	62,200	83,000
Philadelphia College of Osteopathic Medicine.....	379	406	438	225,704	195,139	94,812	38,838	63,200	87,600
Total.....	1,812	1,874	1,959	1,044,945	892,880	424,055	177,049	287,600	391,800

SCHOOLS OF OPTOMETRY

Name of institution	1968	1969	1970	1968	1969	1970	1968	1969	1970
Los Angeles College of Optometry.....	168	171	237	60,000	64,100	51,302	21,880	35,000	47,400
University of California.....	134	150	176	67,000	58,500	38,097	16,593	24,600	35,200
Illinois College of Optometry.....	269	294	306	166,009	141,833	66,239	39,020	59,600	61,200
Indiana University.....	124	166	199	71,065	79,959	43,076	14,952	27,000	39,800
Massachusetts College of Optometry.....	160	161	172	130,000	12,735	10,800	15,499	25,600	32,300
Ohio State University.....	172	182	191	27,000	54,000	39,600	17,687	29,000	38,200
Pacific University.....	172	192	242	80,000	84,520	52,384	23,157	34,600	43,400
Pennsylvania College of Optometry.....	348	398	434	216,039	190,380	93,946	39,749	62,000	86,000
Southern College of Optometry.....	277	316	336	120,000	152,305	72,732	38,291	64,000	67,200
University of Houston.....	183	204	219	36,000	45,000	47,405	21,698	32,000	43,800
New schools for fiscal year 1970: University of Alabama.....			24			5,194			9,994
Total.....	2,536	2,234	2,512	856,113	883,332	520,775	248,526	393,400	509,194

SCHOOLS OF PHARMACY

Name of institution	1968	1969	1970	1968	1969	1970	1968	1969	1970
Auburn University.....	226	225	245	0	25,920	8,640	31,909	56,700	48,500
Stanford University.....			260	0	0	25,650	0	0	34,200
University of Arizona.....	217	210	218	32,000	36,000	36,000	24,600	42,800	43,600
University of Arkansas.....	129	134	139	63,734	59,276	30,088	16,410	27,000	27,800

SUMMATION OF HEALTH PROFESSIONS STUDENT LOAN AND HEALTH PROFESSIONS SCHOLARSHIP ALLOCATIONS, FISCAL YEARS 1968-70—Continued

SCHOOLS OF PHARMACY—Continued

Name of institution	Enrollments			Loan allocations			Scholarship allocations		
	1968	1969	1970	1968	1969	1970	1968	1969	1970
University of the Pacific.....	285	396	457	129,055	149,448	98,925	27,898	51,000	91,400
University of California.....	337	327	342	56,000	69,210	74,031	31,544	28,704	68,400
University of Southern California.....	417	411	412	170,000	199,424	89,184	36,467	63,467	80,000
University of Colorado.....	112	124	122	22,000	23,396	12,600	11,852	24,100	18,700
University of Connecticut.....	231	216	212	0	9,900	0	28,080	50,000	42,400
Howard University.....	110	204	210	0	13,176	12,136	29,721	24,000	14,060
Florida A. & M. University.....	64	74	101	18,000	36,000	21,862	12,764	19,000	20,200
University of Florida.....	237	214	245	0	0	23,933	43,761	58,800	49,000
Mercer University.....	193	212	216	20,000	30,000	32,750	24,980	30,200	32,850
University of Georgia.....	406	425	465	0	0	0	67,465	93,000	93,000
Idaho State University.....	106	109	131	15,000	24,960	28,356	14,040	23,800	26,200
University of Illinois.....	380	603	598	45,000	50,400	78,615	53,789	50,000	56,000
Butler University.....	105	112	132	0	0	0	15,499	24,500	26,400
Purdue University.....	311	451	450	31,000	14,670	6,750	41,938	64,000	76,500
Drake University.....	169	179	193	35,000	37,600	41,777	23,521	35,200	38,600
University of Iowa.....	178	278	305	58,000	24,219	12,753	24,433	38,000	38,000
University of Kansas.....	151	180	178	27,000	34,200	36,000	20,786	34,000	35,600
University of Kentucky.....	155	170	185	36,000	17,000	8,500	20,057	30,000	25,000
Northeast Louisiana State College.....	394	399	426	40,000	45,000	55,000	54,833	75,000	80,000
Xavier University.....	47	66	75	23,000	34,125	14,785	10,029	17,000	15,000
University of Maryland.....	143	154	168	18,000	15,300	12,600	17,322	29,800	10,000
Massachusetts College of Pharmacy.....	323	623	623	0	0	0	40,479	65,000	62,000
Northeastern University.....	145	297	312	29,000	45,630	30,960	22,245	33,000	61,950
Ferris State College.....	258	271	285	18,000	25,200	22,500	32,821	33,750	35,000
University of Michigan.....	91	173	197	13,000	11,340	12,150	11,305	7,500	16,000
Wayne State University.....	127	143	153	10,000	5,490	8,820	16,410	21,300	16,500
University of Minnesota.....	252	287	304	27,000	36,900	65,805	31,909	57,000	60,800
University of Mississippi.....	221	240	288	99,000	47,092	62,342	30,268	52,000	57,600
St. Louis College of Pharmacy.....	265	269	272	0	42,300	49,995	32,274	55,200	54,400
University of Missouri.....	120	153	195	32,000	35,047	42,210	15,681	24,600	24,800
University of Montana.....	101	92	117	0	0	0	14,952	20,000	23,400
Creighton University.....	104	138	150	18,000	18,000	27,000	16,046	23,600	30,000
University of Nebraska.....	176	236	236	0	0	0	29,174	15,000	7,400
Rutgers, the State University.....	133	232	240	0	0	0	20,969	15,000	23,400
University of New Mexico.....	95	113	120	0	0	0	12,764	18,724	21,571
Columbia University.....	177	199	210	0	0	0	25,527	36,600	42,000
Frodham University.....	137	173	120	0	0	0	20,057	29,000	24,000
Brooklyn College of Pharmacy.....	263	232	234	0	0	0	8,000	37,900	66,400
St. John's University.....	193	155	180	22,000	22,500	17,200	30,086	25,000	25,000
Albany College of Pharmacy.....	243	412	393	0	0	0	31,180	46,200	67,000
State University of New York.....	152	173	196	77,568	0	0	21,333	36,400	39,200
University of North Carolina.....	302	359	382	0	0	0	35,191	93,000	93,850
North Dakota University.....	240	421	500	90,000	90,000	21,404	37,379	49,500	48,510
Ohio Northern University.....	93	127	161	22,000	46,000	34,851	16,228	28,400	32,000
Ohio State University.....	179	173	198	16,000	16,200	4,500	25,163	41,000	39,600
University of Cincinnati.....	170	278	291	15,000	0	5,000	27,351	34,600	58,200
University of Toledo.....	81	98	117	13,000	12,300	6,000	11,305	14,600	11,000
Southwestern State College.....	331	354	403	90,000	135,000	87,235	44,673	74,400	80,600
University of Oklahoma.....	155	227	240	0	0	0	27,351	46,000	48,000
Oregon State University.....	216	237	252	31,000	43,200	38,540	29,903	26,400	42,500
Duquesne University.....	99	107	105	11,000	15,840	12,600	13,311	21,000	21,000
Philadelphia College of Pharmacy.....	313	351	350	120,000	97,000	75,783	43,761	66,000	68,400
Temple University.....	183	197	222	25,000	47,326	48,054	30,086	42,400	44,000
University of Pittsburgh.....	149	166	176	6,000	21,915	9,450	22,792	31,000	26,000
University of Rhode Island.....	85	228	252	13,000	17,100	8,532	18,234	21,200	20,050
Medical College of South Carolina.....	96	82	90	3,000	2,985	6,435	13,128	19,200	18,000
University of South Carolina.....	135	196	200	0	0	22,500	19,145	27,940	40,000
South Dakota State University.....	168	174	184	0	0	0	3,000	10,400	10,500
University of Tennessee.....	275	294	294	0	0	0	35,738	56,600	58,800
Texas Southern University.....	153	164	180	0	0	0	22,792	34,000	36,000
University of Houston.....	334	323	410	27,000	67,500	74,250	39,385	71,400	82,000
University of Texas.....	412	386	386	0	0	0	31,909	43,200	55,000
University of Utah.....	163	191	205	0	0	0	20,057	35,000	35,000
Medical College of Virginia.....	210	234	195	18,000	22,050	34,200	26,074	32,000	33,000
University of Washington.....	201	221	239	0	0	0	22,792	37,000	37,600
Washington State University.....	123	127	146	0	0	0	15,134	18,000	29,200
West Virginia University.....	130	147	175	55,000	48,855	38,097	17,504	29,800	35,200
University of Wisconsin.....	397	455	485	36,000	65,700	53,100	53,789	57,500	56,000
University of Wyoming.....	64	64	78	0	0	0	8,388	15,200	15,600
University of Puerto Rico.....	189	213	229	34,000	31,623	14,402	27,351	30,403	35,540
Total.....	14,340	17,188	18,546	1,810,357	2,019,517	1,725,422	1,886,142	2,730,588	3,061,181

SCHOOLS OF PODIATRICS

California Podiatry College.....	176	194	208	0	87,098	45,024	18,234	27,800	41,600
Illinois College of Podiatry.....	157	195	225	0	0	0	18,234	30,200	45,000
J. Lewi College of Podiatry.....	169	177	186	0	0	0	25,710	28,800	37,200
Ohio College of Podiatry.....	284	324	338	149,522	144,213	73,165	30,268	48,600	67,600
Pennsylvania College of Podiatry.....	131	154	176	85,278	74,723	38,097	16,410	24,600	35,200
Total.....	917	1,044	1,133	234,800	306,034	156,286	108,856	160,000	226,600

SCHOOLS OF VETERINARY MEDICINE

Auburn University.....	382	383	392	112,500	72,000	0	0	78,400
Tuskegee Institute.....	111	112	118	67,086	61,872	25,542	0	17,800
University of California.....	280	308	318	75,000	27,000	67,500	0	60,000
Colorado State University.....	276	281	296	155,775	29,015	64,074	0	58,000
University of Georgia.....	250	251	251	0	18,000	0	0	50,000
University of Illinois.....	258	273	269	81,000	99,000	36,000	0	53,800
Purdue University.....	210	220	220	27,000	37,620	40,500	0	44,000
Iowa State University.....	285	290	300	141,796	136,120	64,939	0	60,000
Kansas State University.....	311	315	320	0	150,400	69,268	0	64,000
Michigan State University.....	287	275	285	90,000	107,100	61,692	0	56,000
University of Minnesota.....	233	238	239	114,129	112,799	51,735	0	47,800
University of Missouri.....	186	220	230	81,000	100,800	37,800	0	46,000
New York State College.....	231	232	232	0	18,000	0	0	20,000
Ohio State University.....	316	316	333	72,000	108,000	63,000	0	66,600
Oklahoma State University.....	180	182	192	100,000	86,146	41,561	0	38,400
University of Pennsylvania.....	280	289	313	150,000	140,405	67,754	0	62,000
Texas A. & M. University.....	379	384	384	0	45,000	0	0	45,300
Washington State University.....	187	203	203	0	43,942	0	0	40,000
Total.....	3,595	4,749	4,895	1,154,786	1,308,777	888,307	0	908,100

**HEALTH PROFESSIONS STUDENT LOAN PROGRAM
PROGRAM SUMMARY**

Type of school	Number of participating schools			Total enrollment of participating schools			Number of students assisted			Percent of students assisted		
	1968	1969	1970	1968	1969	1970 ¹	1968	1969	1970 ¹	1968	1969	1970 ¹
Medical.....	93	98	100	33,609	35,117	36,814	12,484	12,808	6,980	37	36	19
Dental.....	47	50	52	14,271	14,833	15,707	5,944	6,375	2,910	42	43	19
Osteopathy.....	5	5	6	1,819	1,876	1,959	977	1,050	425	54	56	22
Optometry.....	10	10	11	2,031	2,243	2,536	745	853	480	37	38	19
Pharmacy.....	48	51	53	10,025	10,907	13,021	2,105	2,541	2,325	21	23	18
Podiatry.....	2	3	3	425	643	722	211	303	150	50	47	21
Veterinary medicine.....	12	14	18	2,561	3,774	4,895	797	1,075	785	31	28	16
Total.....	217	231	243	64,741	69,393	75,655	23,263	25,005	14,055	36	36	19

Type of school	Fiscal year 1968 amounts allocated	Fiscal year 1969 amounts allocated	Fiscal year 1970 ¹ amounts allocated
Medical.....	\$14,736,357	\$14,240,726	\$8,560,565
Dental.....	6,822,117	6,777,734	3,638,553
Osteopathy.....	1,044,946	892,880	459,576
Optometry.....	856,113	883,332	558,313
Pharmacy.....	1,810,357	2,019,517	1,797,219
Podiatry.....	234,800	306,034	169,379
Veterinary Medicine.....	1,154,786	1,308,777	929,395
Total.....	26,659,476	26,429,000	16,113,000
Appropriation.....	(15,000,000)	(15,000,000)	(15,000,000)
Revolving fund.....	(11,659,476)	(11,429,000)	* (1,113,000)

¹ Estimated.

* An estimated cash balance of \$1,000,000 is on deposit. Should the amount of \$957,000 requested in the fiscal year 1970 budget for payment of sales insufficiencies and interest losses be approved, this would free the cash balance in the fund to make a second allotment to schools. To date \$15,000,000 has been awarded to the schools.

HOW TO REVITALIZE THE RECLAMATION PROGRAM ADDRESS BY SENATOR LEN B. JORDAN BEFORE NATIONAL RECLAMATION ASSOCIATION

Mr. ALLOTT. Mr. President, during October the National Reclamation Association held its annual convention in Spokane, Wash. The distinguished Senator from Idaho (Mr. JORDAN), made a most important address. Senator JORDAN has consistently displayed his expertise and years of experience with important water matters in his work on the Committee on Interior and Insular Affairs.

In his Spokane address, Senator JORDAN points out that the reclamation program is more than simply an investment in water resources which produce economic benefits such as electric power and increased agricultural yields. It is an investment in people and the future. The added stability in the local economy resulting from such water resource developments is a stabilizing influence on the social fiber of the community.

Senator JORDAN reminds us that the reclamation program is 90-percent reimbursable, both for capital construction costs and for operation and maintenance. As such, reclamation investments are repaid to the Nation not only on a basis of returning the actual dollars invested, but also, and more importantly, by improving the quality of living in the immediate area.

Perhaps the most intriguing suggestion made in his address is to explore the potentialities for a greater Federal-State partnership role in water resource development. As States acquire greater engineering and administrative expertise, such a partnership can be expanded to the benefit of all concerned. There are several successful examples of this partnership, including the Boulder Canyon project.

Mr. President, I recommend Senator JORDAN's imaginative address to Sena-

tors and to all others who are interested in water resource management.

I ask unanimous consent that his address, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HOW TO RE-VITALIZE THE RECLAMATION PROGRAM

(By Senator LEN B. JORDAN)

Many of you in my generation will remember reading a story, entitled, if I recall correctly, "Acres of Diamonds." The story concerns the experience of a man who searched the world for riches and then discovered, shortly before his death, that his own property at home was underlain with acres of diamonds.

I have had a similar experience during the past year, while trying to ascertain what we in the West can do to re-vitalize a sadly-sagging Reclamation program.

The decline of the Reclamation program, I am sure, will be thoroughly reviewed at this convention, so I will not bother to explore it further. Suffice it to say that this is a bipartisan problem that has surfaced during the past two years, and its arrest and solution requires the collective, non-partisan support of all of us.

During this agonizing re-appraisal of the problems facing public works programs, there has been considerable criticism of federal economy measures and the Bureau of the Budget. I rise in defense of my fellow economists and the Budget administrators who have to watch the temperature gauge on our economy and who have to make the hard decision on whether we as a Nation can afford prospective expenditures.

We need hard-nosed budget people. Without them, we today would be on the crest of a worsening inflationary spiral that, uncontrolled, could convert our currency into worthless paper and hurt all of us. Latest indications are that our heated-up economy is responding to the control program.

The decision made to curb expenditures, especially in the public works field, as an inflationary control, has caused all of us to re-examine our demands upon the Federal Treasury, and to review the Reclamation program and its economic justifications. Out of this re-appraisal—the first hard look at

Reclamation since the 1930's—will come a new assessment of the regional and national benefits of this program, and a solid foundation for real advances during the decades ahead. Opportunity so frequently is found at the edge of trouble, if one is alert and persevering.

This opportunity lies in a proper appreciation and utilization of the Reclamation Fund in the authorization and funding of Reclamation projects. This Fund, in a sense, is the West's "acres of diamonds," an asset of tremendous value that has been relatively ignored by the advocates of a more adequate Reclamation program.

I daresay that there are few in this room who are aware that the annual revenues to the Reclamation Fund will reach \$185,000,000 this fiscal year. Few also are aware that this Fund will reach an annual level of \$330,000,000 in 20 years, and will return to the Treasury in those two decades about \$5 billion, or an amount roughly equal to the authorized Reclamation construction backlog.

Based on this rate of growth, it appears to me that the Reclamation Fund has the potential of producing total revenues to the Treasury of nearly \$20 billion over the next 50 years, the normal repayment period for Reclamation projects.

Some people have been advocating the creation of a West-wide Basin Fund for Reclamation, apparently without realizing that we already have such a fund with a built-in revenue capability of \$20 billion, or nearly four times the present backlog of authorized Reclamation projects.

This \$20 billion figure is merely an estimate. To get a true idea of the Fund's potential, we need to crank into a computer estimates of all sources of Reclamation Fund income, year by year for the next half of the century, and then revise the figures annually as revenues increase and new sources of income appear.

The Reclamation Fund receives revenues from public lands in the West, including a portion of the money derived from mineral land leasing in the States involved. This is the highest form of public thrift. It involves the utilization of revenues from a depleting resource to develop a renewable resource—water—which is absolutely basic to the economic development of the arid and semi-arid West. The Fund also includes revenues re-

ceived in the Treasury for repayment of the capital costs of facilities required to develop the water resources of the West. Some of the project returns to the Treasury, for example, represent the repayment of facilities built with revenues from the revolving Reclamation Fund that may have accrued originally several decades ago.

As a former Governor and a member of the Senate Interior Committee, I assert that we need to constantly remind the Congress of the present level of the annual returns to the Fund and the estimated total returns over the next 50 years of ensuing repayment periods.

The Congress is faced with demands for so many heavy one-way, out-of-pocket expenses that it looks favorably upon any program that requires reimbursability from its beneficiaries and can show returns over its repayment period greater than the obligations sought. Reclamation today is in that most favorable position, thanks to the foresighted 57th Congress which established the Reclamation Fund in 1902 and to subsequent Congresses which helped expand and maintain it.

Here then, are a few suggestions on what we can do to make better use of the Reclamation Fund, to better utilize what we have going for us in our relations with the Congress:

First, we must end discrimination against the Reclamation program.

It is ironic that the reductions made in public works spending in both Mr. Johnson's austerity budget and Mr. Nixon's revised budget cut disproportionately into the Reclamation program which not only is backed by a revolving fund, but also is reimbursable to a higher degree than any other federal water resource program.

I think a convincing case can be made that the minimum construction program of a Reclamation program should be at least equal to the annual revenues to the Reclamation Fund. By this yardstick, Reclamation appropriations for construction and rehabilitation in the fiscal year 1971 should be increased to \$185 million which is \$60 million over the 1970 budget and \$44 million over the House Appropriations allowance for Reclamation construction this fiscal year.

In the same vein, I contend that all of us involved in the Reclamation program must stop labeling the interest-free aspects of the Reclamation programs as a "Subsidy." It is not a subsidy to decline to charge interest on appropriations advanced from a dedicated fund, on money that is already in the Treasury and does not have to be borrowed by the government. This policy was established by the Congress in 1902 when the Reclamation Fund was established and it has been followed ever since with regard to Reclamation appropriations allocated to irrigation development.

I recommend that reclamationists urge the proper Congressional Committees to take a critical look at the present use of Reclamation Fund revenues for project investigations, general administrative expense, and operation and maintenance—all standard allocations from the Fund in the annual Public Works Appropriations Acts. Funds for investigations and general administration of other federal water resource programs come out of the General Fund of the Treasury; but the reimbursable Reclamation program now takes these expenditures from its revolving construction fund. This is discrimination. The revenues in the Reclamation Fund should be used as the Supreme Court has directed—for use in the construction of Reclamation facilities and continually invested and reinvested in the reclamation of the arid and semi-arid West.

Second, we should utilize the Reclamation Fund and its potential to increase Reclamation construction appropriations and reduce

the impact of accelerating construction costs upon a reimbursable program.

The Reclamation program is 90 percent reimbursable, both for capital construction and operation and maintenance costs. Many otherwise commendable federal programs are financed by direct grants or their engineering works are built almost entirely at federal expense and the completed projects are operated and maintained at federal expense.

Without prejudging or depreciating these other programs, I think the federal government has an obligation to help keep costs to the minimum for reimbursable programs—and especially to the Reclamation Program which not only is reimbursable but also has the backing of an estimated \$20 billion construction revolving fund.

To stretch out and defer construction of feasible and needed authorized projects adds materially to the ultimate repayable costs. At the presently accelerated construction cost rate, the total cost of a project can be increased by half in a relatively few years of delay. I would like to see the federal government avoid or reduce such cost increases in a reimbursable public works program by expediting construction.

The House Appropriations Committee last year took a look at the Reclamation project backlog and recommended that the program be increased to \$500 million annually until the backlog is eliminated. I think that suggestion has merit. Moreover, I think the Reclamation States can make a good case for a program on this level by showing that two-fifths of the supporting appropriations for a half-billion dollar annual program are already coming into the Reclamation Fund, and that the remaining \$300 million annually could be regarded as advances against future Fund revenues, which can be plotted with great precision by modern computers.

An appropriation level of \$500 million annually for the next decade could wipe out the existing Reclamation backlog of authorized projects, and that is the general level of operations the West should be demanding just as soon as economic and budgetary conditions warrant it.

Third, we must resist efforts to raid the Reclamation Fund by special interests seeking to finance other programs.

We in the Reclamation movement may not have recognized the real value of the Reclamation Fund, but other people have, and numerous suggestions have been made in recent years that resources of such funds be diverted to other uses.

I sincerely hope that 1969 can become known as the year we rediscovered the Reclamation Fund. I believe this is the largest resource development fund in the world. Certainly it is one of the oldest, and no other domestic program in this country has its counterpart for the development of water resources. It is a dedicated revolving trust fund, tested by adjudication and supported by annual Congressional actions over the past 67 years.

So much for what the Reclamation Fund is, how it came about and what we may expect from it in the future.

As reclamationists, it should be our purpose to make the best possible use of this fund for reclamation purposes. And this should not be construed to mean single purpose irrigation projects. We all know that a modern reclamation project is more likely to be a multi-purpose development in which many ancillary but separate benefits may be identified.

To be specific, the dam that impounds the water to supply the irrigation water delivery system for a reclamation project may be designed and built to serve other purposes as well. These other purposes include water for municipal and industrial use, power, flood control, navigation, recreation, fish and wildlife, and water quality control.

The several benefits may be further identified or classified as either being reimbursable or non-reimbursable.

Reimbursable project features have identifiable beneficiaries and economic planning assigns to these beneficiaries a proportional share of the project costs which may be allocated to that particular use. Reimbursable project benefits include irrigation water supply, power generation, and municipal and industrial water supply.

The non-reimbursable classification applies to project benefits so widespread as to not be readily assignable to any particular set of users. Into this category fall flood control, fish and wildlife enhancement, recreation, and water quality control. Navigation improvement, even though its beneficiaries may be identifiable, has always been included in this list of benefits which traditionally and with good reason, should be supported by general funds for the general welfare of all the people.

Let us return to those multi-purpose benefits which are reimbursable, namely irrigation, power, and municipal and industrial water supply. I see no reason why the specific beneficiaries of these uses might not join together in a joint venture and share the construction costs and the benefits of such a multi-purpose project.

This need not be totally or exclusively a federal project. Certainly the state in which such a project is located has a genuine interest. And what may be more important these days, the state may have a real advantage in obtaining construction funds in the securities market. Incidentally, I serve on the Finance Committee of the Senate where our chief present concern is writing up a tax reform bill. Even though the House bill that came to us had taken away the tax-exempt feature of municipal bond issues, it is my prediction that this position will not be sustained by the Congress. Our Senate Finance Committee has already agreed to retain the present status of municipals, a feature which will facilitate municipal and state borrowing.

Under the joint venture concept then, let us suppose that the state builds the dam, and that the entity, public or private, which has the power franchise for the area builds the mechanical equipment for the power generation and distribution. If the project is located in the West, the federal government could share in the effort by building, through the Reclamation Fund, irrigation canals and the distribution system. The federal government also would finance those non-reimbursable features which are for the common good.

This united effort would make a truly cooperative or partnership project, spreading the costs and the benefits among all the beneficiaries involved. From the standpoint of the Reclamation Fund, it stretches the money available for Reclamation development to the ultimate by bringing in other public and private entities to share the costs of the multiple-purpose development.

This type of a "partnership" approach to western resource development is not new. It goes back to the Boulder Canyon Project, the largest and most complex multiple-purpose water resource development in the world at the start of construction of Hoover Dam in the mid-1930's. Construction of this great dam was made possible when publicly-owned and privately-owned electric utilities agreed to finance, build and operate the generating plant and transmission system and guarantee a market for the power.

Another example is the State of California's \$2 billion State Water Plan, currently under construction. The federal government advanced a flood control grant for the construction of Oroville Dam, and built the San Luis Dam and Canal for use jointly by the State and Federal Central Valley Project. This great California State project was emi-

nently eligible for construction as an extension of the Federal Reclamation project, but such authorization would have made demands on Reclamation financing equal to the entire Reclamation construction program during much of the past decade and beyond. This cooperative State-Federal project demonstrated that States now have ample sources of funds and engineering and administrative know-how to play a major role in resource development. This potentiality must be further explored and utilized and the end result will be accelerated construction of needed projects and a stretching-out of the benefits of Reclamation Financing.

An intriguing proposal of this type has been made in my State of Idaho. For many years we have been planning an extensive irrigation development in southwest Idaho. This proposed project, including a dam on the Snake River at the Guffey site, is presently in the investigation phase as a unit of the potential Southwest Idaho Water Development Project.

Without attempting to pre-judge a plan that is still under study by the State Water Resource Board, I believe that cooperative planning deserves careful consideration, not only by Idaho but also by other States of the Reclamation West. Here we have the making of a cooperative project, under which the State and local public and private entities can build the regulatory dams and hydropower plants, and the Bureau of Reclamation can build the irrigation system as part of its Southwest Idaho Water Development Project. This has the possibilities of reducing the demands by Idaho on the Reclamation Fund, accelerating a needed project in these days of federal public works cutbacks, and saving money for all the parties concerned. This, in my estimation, is sound area development of the type pioneered by Reclamation's Boulder Canyon Project, and I think it merits earnest consideration.

I firmly believe that a similar application of the partnership concept should be fully explored in the proposed Middle Snake development. Studies made by Idaho's Water Resource Board indicate beyond question that if Idaho is to realize its full reclamation potential, water must be imported to the Snake River Valley from other sources. That source is Idaho's own Salmon River.

Idaho is at the crossroads. Within three years Idaho must decide which direction to take—toward achieving high reclamation potential or settling for the status quo.

The stakes are high. Use of Salmon River water integrated with return flows from the Snake River by combination storage and pump back system could double the reclamation potential of Idaho.

Without Salmon River water, Idaho's reclamation will level off at less than 5 million acres. With supplemental water from the Salmon River in a fully "plumbed" system, Idaho's irrigated acreage could go as high as 10 million acres. It is for this reason that we in Idaho are so keenly interested in cooperative water development—efforts that will bring into force the resources of all economic interests and all levels of government.

With its wealth of water resources, its abundance of fertile farm land that requires only water to make it productive, and its progressive, hard-working people, Idaho faces a bright future in resource development. With its own resources, it has brought 2 million acres of land into production since Statehood. Aided by a reinvigorated Reclamation Fund—which has already contributed to the development of 1½ million irrigated federal project acres—it can help America grow and prosper in the challenging years ahead.

I believe that this partnership concept can be implemented without doing violence to another time-tested concept, namely, the use

of power revenues to help water users meet allocated costs of a multi-purpose project which are beyond their repayment capability. The users of the energy derived from the falling water are also those who benefit from the development of needed water supplies. Hence this joint financing has long been recognized as mutually beneficial. And the fact that a partnership approach brings other resources into play enhances, rather than diminishes, the effectiveness of basin account operations.

In the mid-fifties I spent three years working on two of the most gigantic partnership water resource projects of all time. I refer to the St. Lawrence Seaway and Power Project and to the Columbia River Storage project. Each of these great projects involve a fine-tuned and hard-bargained joint venture that will serve as models of international cooperation in developing the greatest potential of international rivers for the joint benefit of two sovereign nations. Each of these projects was formalized by treaty. I am proud to have had a small part in these history making achievements. With this background is it any wonder that I believe in the partnership concept of resource development!

I recommend that we apply the lessons we have learned to further development of our land and water resources.

VICE PRESIDENT AGNEW BREAKS THE ICE

Mr. DOLE. Mr. President, the Vice President's recent statements have received considerable attention on the editorial pages of the Nation's press. They have precipitated often vigorous debate in the Halls of Congress. Substantial treatment has been given Mr. AGNEW's remarks on television and radio. Many of these discussions have been devoted to the narrow short-range implications of the Vice President's comments, but an editorial published in the San Diego Union of November 26 brought a broad and clear focus to bear on the entire range of issues raised by these remarks and the responses they have generated.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VICE PRESIDENT BREAKS THE ICE

The Constitution of the United States of America does not say much about the duties of the vice president, except that he shall preside over the Senate and cast a tie-breaking vote.

Until recent years, history has set little precedent for practical conduct of the office.

When he was still a vice president, John Adams called it the "most insignificant office that ever the invention of man contrived or his imagination conceived." Congress actually considered paying Adams on a per diem basis for the days he presided over the Senate.

John Nance Garner called the vice presidency "almost entirely unimportant."

Harry S. Truman, who entered the presidency from the second highest executive post, said the vice presidency was "about as useful as a cow's fifth teat."

In more recent times, Vice President Spiro Agnew conceded initially that his name was not actually a household word. Earlier this year the Gridiron Club, an association of Washington reporters, depicted the vice president as a canary in a cage and satirically warbled: "He's only a bird in a gilded cage."

Many of the same newspapermen are singing a different song today. And Mr. Agnew is a household word on campuses, among the dissidents, politicians, pundits and the silent majority. Mr. Agnew's forthright assessments of the nation's problems has electrified and awakened the nation.

A number of subtleties and ironies are apparent in the wake of his comments.

Among the subtleties is the fact that President Nixon, who was a meaningful vice president under President Eisenhower, is determined to expand the importance of the office.

Among the ironies of the attacks upon Mr. Agnew for daring to speak up is the reaction of the vocal minority on the campus, which claims to be disaffected with the hypocrisy of adults and begs them to "tell it like it is." Mr. Agnew certainly is telling it like he thinks it is.

Even more ironic are the injured cries from the professional critics such as Senators Kennedy, McGovern and Fulbright who seem to have no revulsion for their own statements which tend to divide the nation. Senator Fulbright, who once said that the United States was drunk with the arrogance of power, has now even urged that the President stop Mr. Agnew from speaking out.

Or consider the visceral reaction to the vice president's remarks by the news media he has pinked with some pertinent insight. Newsmen, who have never hesitated to exercise their legitimate right to criticize public officials, now are lambasting Mr. Agnew simply for speaking up. The shoe on the other foot is a tight fit.

It is apparent in the last month that many of the words of the vice president are ideas whose time has arrived. He cannot be quieted by personal attacks nor will he disappear—which leaves critics with a major alternative. Speak to the charges.

ADDRESS BY FORMER SENATOR FRANK CARLSON AT MARYMOUNT COLLEGE, SALINA, KANS.

Mr. DOLE. Mr. President, I was recently visited by Sister Evangeline Thomas, of Marymount College, Salina, Kans. During our conversation, she mentioned the inspiring commencement address delivered at Marymount last year by the Honorable Frank Carlson, the distinguished former Senator from Kansas. Sister Evangeline has been kind enough to furnish a copy of Senator Carlson's remarks. I found them most timely and illustrative of the wisdom and insight he so devotedly brought to this body.

Mr. President, because I believe that Senators would find Senator Carlson's thoughts both welcome and rewarding, I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS BY SENATOR FRANK CARLSON, MARYMOUNT COLLEGE, SALINA, KANS., JUNE 1, 1969

Members of the 1969 graduating class of Marymount College, parents, faculty and friends:

I deeply appreciate this opportunity to participate in your commencement exercises. To me, it is a great privilege. I have always enjoyed meeting with graduates and their families on their red-letter day.

I enjoy it even more in this instance, in view of the unique and wonderful contribution that Marymount College has made to the State of Kansas and the nation.

I must mention that Marymount College is the outgrowth of the educational en-

deavors of the Sisters of Saint Joseph from Concordia—my hometown—in 1922.

Marymount was the first 4-year liberal arts college for women in Kansas and is now approaching a half-century of devoted and dedicated service in the field of education.

Some years ago I was privileged to speak to the graduating class of Marymount and was introduced by the late Most Reverend Frank A. Thill, Bishop of Salina, who was not only a personal friend of mine but one whom I admired for his outstanding Christian example and service.

This is a proud and happy hour for those of you who are graduating. I hope that during this happy time you will take time to reflect on the future.

I want to talk with you very briefly about the challenges awaiting you and the opportunities that I sincerely hope that you will have to contribute to the making of a better nation and world.

Commencement addresses traditionally call for euphemistic and ringing statements about the bright future awaiting graduates—and the wonderful opportunities for leadership which are being placed in their hands. But, common sense tells us it is not that simple. We live in an era that poses massive problems and challenges for all of us. The actions that we take could well have fateful results for the future of this nation and the entire world.

The United States is today faced with tremendous problems. America is a nation in conflict—at home and abroad. Sometimes the way looks dark and the future looks black.

But—and here is an important fact to remember—our problems are those arising from success and not from failure.

It cannot be denied that we do face serious problems. We must face them with courage and solve them with wisdom. Only by so doing, can we bring this nation to its highest potential of greatness.

Only then, can our nation hope to fulfill its ultimate mission as the leader of freedom throughout the world.

Divisive elements are seeking our destruction. This we know, and we must be on our guard lest they be successful in setting neighbor against neighbor and brother against brother.

We need to remember that this is a growing and prosperous nation—and not a nation that is coming apart at the seams or on the brink of disaster.

Did you ever stop to think about what made the United States the truly great and powerful nation it is today? Few of us do, for we are so busy seeking the material blessings the nation provides and enjoying our luxurious standard of living that we do not take time to think where all those blessings came from.

Resources were an important element in the development of our nation and we have used them—developed them—and, hopefully, conserved most of them so they can be passed on to succeeding generations.

Perhaps climate was a factor in the development of a great nation on the North American Continent, but more important than either resources or climate have been the people of the nation.

The people represent the real key to the success and progress of the United States. Not just the people here today, but those who settled the nation and brought it through its first tedious years.

It was love of freedom that brought our first settlers to the nation and it was because our patriots loved freedom more than life itself that we were able to win the war for independence and establish our government within the framework of our Constitution.

It will be the love of freedom that will keep our nation great, for if individual Americans do not love freedom, we shall lose it.

We know that every generation must rewin and preserve this heritage.

But even more than love for freedom, the key to our nation's greatness has been the development of a great spiritual awareness, love for—and worship of God.

As members of the class of 1969, you must assume responsibility for the preservation of this great heritage.

Two major challenges of this century must be met and conquered. One is the search for true peace. The other is the ultimate fulfillment of the national dream that is the basis for this nation's being—equality of opportunity for all of our citizens.

All of our other problems are either directly related to—or pale into insignificance—in comparison with these two. These are the areas in which both the challenges and the opportunities for leadership await you.

The immediate and overriding problem facing this nation—and indeed the entire world—is the issue of peace. Momentous questions of peace and war are with us and will be for some time to come.

For these are indeed fateful days. We are engaged in a world-wide struggle—without doubt the most widespread and crucial struggle that the world has ever known. This is a struggle which will ultimately determine whether man as an individual will retain his basic right of self-determination.

I firmly believe that what is at stake is the fate of civilization as we know it—if not the ultimate fate of the human race.

This struggle is a contest for men's minds. It is an ideological battle. It has its physical side—witness Vietnam—but more basically, it is a mental and spiritual conflict.

I would most fervently hope that the free world has learned one major lesson since the end of World War II—that is the fact that we cannot defeat Communism by force of arms alone—or even primarily. For communism is not simply a nation. It is not simply an army. It is not simply a nationalistic or political force. Rather, it is a system of ideas—an ideology [sic]—a philosophy of history.

We must, therefore, look upon our struggle with communism as an irreconcilable quarrel about the nature of man—of his universe—and of the God that created both. It is in this arena that we must fight and eventually win a lasting peace.

In many ways, this is a much more difficult battle to win that would be a direct military confrontation. It is a struggle in which our weapons must be primarily mental and spiritual.

This is a fantastically critical challenge which we pass on to you. But, your generation is our best hope—and what might be our last hope—to restore sanity to this world.

If I could have one wish granted, it would simply be this—that you young people could somehow, somehow learn to live together in mutual understanding and respect with all of the people of this earth. [sic] This is the only sound road to peace. This has been the outstanding failure of the generations that have preceded you.

Now let us turn to the matter of achieving equality of opportunity for all of our citizens.

This nation can be rightfully proud of the way that it has accepted responsibility for leadership for the free world. Since World War II, we accepted and acted on the fact that we do indeed live in a world-wide community of nations. We have as a nation expended our time, our efforts and much in financial commitments to rebuild the ravaged nations after the war and to provide opportunity for the less fortunate and underdeveloped nations.

Now, recent events have forced us to look inward at problems within our own borders. Now a shocking question is being raised. Is the United States an underdeveloped nation? Most would immediately reply with a re-

sounding No! This is the richest and most affluent nation that the world has ever seen. Just look at the evidence:

The nation's gross national product will top \$900 billions this year.

We are rapidly approaching a median family income of over \$8 thousand per year.

We own over 60 million automobiles—over 70 million television sets—over 600 billions in stocks.

How could anyone consider the United States an underdeveloped nation in the face of those facts?

However, there is another side to this picture. A side that we cannot avoid considering and that vitally concerns us all.

Within the framework of the astounding economic facts and figures which I listed, lies the following:

30 millions of our people are forced by their economic circumstances to live on incomes which are below the poverty level.

8.5 million dwellings in the U.S. are substandard by the most lenient of definitions.

Of our citizens over 25, one in 6 has less than an 8th grade education—one in 2 did not finish high school.

We face a massive task of rebuilding and revitalizing our cities—a job the experts tell us will take 20 years.

And we, who live in rural America, have been aware of severe economic problems for some time. Over 600,000 farmers left agriculture last year alone. The farmer's cost-price index is no longer a serious statistic, but representative of a real emergency. Many farmers are courting economic disaster.

The challenge that we face here is the development of a national mood and spirit in which each citizen is granted full equality of opportunity. And we cannot accomplish this through massive federal programs.

No one could deny the importance of governmental leadership to this problem. But, it is basically your job and my job. We will make real progress only when each of our citizens is treated by all others with the respect and dignity due each as a human being. This cannot be legislated. It can only be accomplished by action of individual citizens.

These then are the major challenges which your generation will be forced to meet. They must be met and solved. And, I repeat, your generation is the best hope that we have. As never before, you graduates are better equipped to meet the challenges laying ahead. As never before, you are well educated—well informed on major issues—and more concerned with the solutions which must be found.

And the opportunity for you to ascent to positions of leadership has never been better. The old guard is changing.

At an ever-increasing pace, the responsibility for leadership in this nation is placed in the hands of the young.

I must add one word of warning for the future. You will play a significant role in determining the direction of this leadership. I have recently been gravely concerned that we are moving in the direction of "government by demonstration". We have even had recent evidence that, as a nation, we may be turning to "government by violence".

If we cannot reverse this trend, I feel that we are in grave danger of losing our individual voice in our government.

We all know there is a better way. We all know that our system of government provides for better ways for citizens to redress their grievances. We must somehow return fully to our democratic processes.

And each of you will bear a heavy responsibility for the direction that the nation takes.

No matter what occupation or position you may aspire to, you as a citizen must bear a portion of the responsibility for providing leadership.

These then are the awesome challenges and responsibilities which my generation is pas-

sing on to you. I would sincerely hope that you learn from the mistakes that we have made in the past.

REVENUE SHARING

Mr. BAKER. Mr. President, several days ago Dr. Richard P. Nathan, Assistant Director of the Bureau of the Budget, forwarded to me a copy of his address to the Council of State Governments in Lexington, Ky., on November 24.

Dr. Nathan's address deals primarily with the concept of revenue-sharing and with the Nixon administration's bill which I introduced several weeks ago with the co-sponsorship of 33 other Senators.

I have known Dr. Nathan for some time, now, and during his tenure at the Brookings Institution he was most helpful in counseling my staff and me on earlier revenue-sharing bills that I introduced, as well as on other matters. He is most intelligent, very able, and an excellent spokesman for the Nixon administration.

I ask unanimous consent that the text of his remarks, with which I am in total agreement, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REVENUE SHARING: CHANGING THE POLITICAL LANDSCAPE

(Address by Richard P. Nathan, Assistant Director, U.S. Bureau of the Budget, Council of State Governments, Lexington, Ky., November 24, 1969)

The idea of divided responsibility is fundamental to the American governmental system. The Nation's founders believed that the existence of more than one point at which a citizen can affect his government breathes life into our democracy and prevents any one institution from acquiring undue control over others.

Both the division of responsibility among the executive, legislative and judicial branches of the national government and the division of responsibilities among different levels of government have, over the years, assured a healthy pluralism in our national life.

Federalism—meaning the existence of different levels of government each responsible to the electorate—has three central virtues:

It provides opportunities for participation by individual citizens in governmental processes.

It permits flexible action to deal with different conditions and needs, consistent with the basic rights granted under the Constitution.

It allows scope for innovation and creativity at whatever level citizens apply their energy to the task of government.

A reassessment of American federalism is necessary today because recent trends have downgraded its importance.

THE NEED FOR REFORM

The predominant direction of change in American government over the past three decades has been a movement toward central action. This can be traced to the need for a total national response to World War I, the depression of the '30's, and World War II.

Centralization has produced beneficial results in many fields. But in recent years this trend has become so powerful that other problem-solving alternatives have been virtually overlooked.

Former Senator Kenneth B. Keating of New York once characterized this pattern as

"the Washington reflex," which is "... you discover a problem, throw money at it, and hope that somehow it will go away." The net result of too many "Washington reflexive" actions has been the creation of problems of governmental rigidity and a loss of governmental flexibility.

Each narrowly targeted Federal grant program has its own interest group. And each group presses for support of its particular function, engaging the energies of administrators and legislators at all levels of government. Aptly termed "functional federalism," the resulting governmental arrangements have made it increasingly difficult for chief executives at the State and local levels to set and implement their own priorities. Functional federalism has brought with it:

A diminution in the initiating and innovative capacities of State and local governments;

A clouding of responsibility for action.

A decline in the interests in, and support for, local governing bodies, thus robbing them of the necessary spark for reform and self-renewal; and

Progressive incapacity to enforce priorities, at a time when resources are scarce and all institutions stand accused of lacking relevance.

The number of individual Federal grants, though not the best criterion for measuring complexity, is indicative of the almost frenetic legislative activity of the national government in the past five years. The number of activities receiving Federal aid increased from 239 (in 1964) to almost 400 in a two-year period. Current totals range from 500 activities receiving Federal aid to an astonishing, but not strictly comparable, 1,315.

The net result is a system which is unwieldy, difficult to monitor, confusing to recipients, and often inconsistent in application. It is difficult to adapt programs to State and local needs or to encourage grass roots innovation when decisions must be checked against detailed Federal regulations and cleared with Washington.

MAJOR THEMES

To provide perspective on actions taken to overcome these problems, let me at this point summarize the unifying ideas of the domestic program of the Nixon Administration.

1. *Responsible decentralization.* The domestic policies of the Federal Government must be based on a current analysis of the appropriate roles of different levels of government and, in areas which are primarily State-local responsibilities, must support and strengthen leadership at the State and community levels in the solution of public problems.

2. *A strong concern with basic systems' reform.* The Administration has embarked upon basic reform in areas of government which are major responsibilities of the Federal Government—for example, welfare, the draft, the Post Office, and the tax system.

3. *An emphasis on the effective implementation of government policies.* Here, we are referring to management functions or to what might be defined broadly as the process of converting "good" intentions into good results.

RESPONSIBLE DECENTRALIZATION

The first of these themes, *responsible decentralization*, is most pertinent to revenue sharing. The Nixon Administration came to office with a determination to strengthen leadership at every level of government.

Many citizens today, particularly the young, have lost confidence in the capacity of governmental institutions to give the individual an opportunity to speak his piece, to make a difference. Policies of the national government which reach out to strengthen the leadership and decisionmaking role of State and local governments can mean greater opportunities for the individual in his role as a citizen of a free society.

Revenue sharing is the keystone of responsible decentralization. Under President Nixon's proposed revenue sharing plan, Federal funds will flow to State and local governments to be used for purposes which they determine to be of highest priority. The President's proposal calls for revenue sharing with a first full-year effect of \$1 billion, rising annually to \$5 billion in the fifth year.

Revenue sharing is an economic as well as political reform. At the same time that it strengthens federalism by broadening the grant-in-aid system, it modifies the Nation's total tax system, placing greater reliance on the growth-elastic Federal income tax.

Consider these facts:

The traditional mainstays of State and local finances have been property and sales taxes. These taxes bear down most heavily on the poor and lag 40-50% behind the rate of growth in State-local expenditures.

The mainstays of the Federal Treasury are the personal and corporate income taxes. These taxes tend to be more equitable and grow rapidly, as much as 25-50% faster than the economy.

The cumulative impact of this pattern of taxation is illustrated by recent experience with State tax laws:

More than half of all State tax revenues during the 1950-67 period were the result of painful rate increases or the enactment of entirely new taxes.

Over 200 rate increases were required in major State taxes between 1959 and 1967.

More than four-fifths of the State legislatures which met early this year faced requests for tax rate increases.

THE NIXON PROPOSAL

The new Administration devoted considerable effort in the early months of 1969 to developing its revenue sharing plan. A strong effort was made to secure the agreement of the principal supporters of the concept—States, cities, and counties, as well as members of the Congress.

Major features of the Nixon plan include:

1. *Predictability*—The amounts to be shared will be based on a specified percentage of the personal income tax base. This base (not "receipts"), displays almost uninterrupted and rapid growth in post-war years. Beyond that, the appropriation will be a "permanent, indefinite" one—the same kind used to pay interest on the public debt, symbolizing a national obligation of the highest order.

2. *Increasing scale*—Along with the natural growth in the base, the percentage applied to the base will grow in amount from one-sixth of 1% for the last half of fiscal year 1971, to 1% by fiscal year 1976. The absolute amounts will rise from \$500 million for the last half of 1971, to over \$5 billion by 1976. Payments will increase from roughly \$2.50 per capita to about \$23 per capita. (Table 1 shows the estimated growth in the total amount.) Thus, while the amount must be modest in the current fiscal setting, it will show impressive growth over time.

TABLE 1.—ESTIMATED FUNDING FOR REVENUE SHARING 1971-76

Taxable income base (in billions)	Percentage for revenue sharing	Funds for revenue sharing (in billions)
\$315.....	2/12 of 1 percent.....	\$0.5
\$346.....	5/12 of 1 percent.....	1.5
\$381.....	7/12 of 1 percent.....	2.2
\$419.....	9/12 of 1 percent.....	3.2
\$461.....	11/12 of 1 percent.....	4.2
\$507.....	1 percent.....	5.1

3. *Unfettered and objective*—The funds will not be tied to specific programs, processes, or requirements. The allocation of funds will be based on formulas prescribed by law and linked to data prepared on a

regular basis by the Bureau of the Census and the Office of Business Economics.

4. *Distribution on need and effort.* The amount to be shared with any given State will be based on State population, adjusted

for relative tax effort. Tax effort is measured by the total amount of general revenues raised in the State by all governmental units as a percentage of personal income in the State. Thus, the basic allocation formula uses

population as a measure of service need. It offers a bonus to States that demonstrate their willingness to meet their own needs. (Table 2 shows the State distribution of revenue sharing.)

TABLE 2.—STATE AND LOCAL SHARES UNDER ADMINISTRATION REVENUE SHARING PROPOSAL¹

State	Population July 1, 1968 (thousands)	Personal income 1967 (millions)	State and local (thousands) ²	State area percentage	State area share ³	Local revenues (thousands) ⁴	Local pass through	Local share	State residual
Alabama	3,566	\$7,656	\$937,084	0.017988	\$8,994,000	\$235,282	0.251078	\$2,258,196	6,735,804
Alaska	277	1,017	139,942	.001571	785,500	44,002	.314430	246,985	538,515
Arizona	1,670	4,444	664,054	.010282	5,141,000	140,906	.212190	1,090,869	4,050,131
Arkansas	2,012	4,130	499,306	.010025	5,012,500	80,211	.160644	805,228	4,207,272
California	19,221	70,204	9,507,432	.107253	53,626,500	2,939,286	.309156	16,578,954	37,047,546
Colorado	2,048	6,191	869,293	.011850	5,925,000	214,309	.246532	1,460,702	4,464,298
Connecticut	2,959	11,609	1,151,699	.012097	6,048,500	570,101	.495008	2,994,056	3,054,444
Delaware	534	1,095	245,701	.002839	1,419,500	36,221	.147419	209,261	1,210,239
District of Columbia ⁵	809	3,366	450,613	.004504	2,252,000	450,613	1.000000	2,252,000	
Florida	6,160	17,101	2,132,736	.031657	15,828,500	622,737	.291989	4,621,748	11,206,752
Georgia	4,588	11,458	1,348,435	.022254	11,127,000	298,603	.221444	2,464,007	8,662,993
Hawaii	778	2,415	365,072	.004848	2,424,000	102,552	.280908	680,921	1,743,079
Idaho	705	1,800	264,376	.004268	2,134,000	56,104	.212212	452,860	1,681,140
Illinois	10,974	40,850	3,866,247	.042783	21,391,500	965,062	.249612	5,339,575	16,051,925
Indiana	5,067	15,980	1,856,861	.024265	12,132,500	406,122	.218714	2,653,548	9,478,952
Iowa	2,748	8,568	1,148,892	.015198	7,599,000	288,642	.251235	1,909,135	5,689,865
Kansas	2,303	6,961	905,542	.012348	6,174,000	275,105	.303801	1,875,674	4,298,326
Kentucky	3,229	7,737	892,691	.015356	7,678,000	188,334	.210973	1,619,851	6,058,149
Louisiana	3,732	8,995	1,298,898	.022209	11,104,500	225,771	.173817	1,930,151	9,174,349
Maine	979	2,585	301,717	.004708	2,354,000	129,205	.428232	1,008,058	1,345,942
Maryland	3,757	12,595	1,415,075	.017403	8,701,500	639,488	.451911	3,932,304	4,769,196
Massachusetts	5,437	19,197	2,301,759	.026866	13,433,000	1,187,565	.515938	6,930,595	6,502,405
Michigan	8,740	29,151	3,458,890	.042754	21,377,000	851,579	.246200	5,263,017	16,113,983
Minnesota	3,646	11,162	1,599,758	.021532	10,766,000	444,196	.277664	2,989,331	7,776,669
Mississippi	2,342	4,453	619,015	.013416	6,708,000	149,272	.241144	1,617,594	5,090,406
Missouri	4,627	13,775	1,478,684	.020460	10,230,000	358,930	.242736	2,483,189	7,746,811
Montana	693	1,939	272,206	.004010	2,005,000	103,144	.378918	759,731	1,245,269
Nebraska	1,437	4,422	518,536	.006947	3,473,500	156,369	.301558	1,050,935	2,422,565
Nevada	453	1,591	223,324	.002621	1,310,500	80,326	.359683	471,365	839,135
New Hampshire	702	2,094	216,083	.002986	1,493,000	73,136	.338462	505,324	987,676
New Jersey	7,078	25,686	2,654,924	.030161	15,080,500	1,051,267	.395968	5,971,395	9,109,105
New Mexico	1,015	2,484	394,562	.006643	3,321,500	66,898	.169550	563,160	2,758,340
New York	18,113	68,916	10,020,084	.108535	54,267,500	4,208,520	.420008	22,792,784	31,474,716
North Carolina	5,135	12,767	1,405,187	.024252	12,126,000	437,874	.316112	3,778,607	8,347,393
North Dakota	625	1,589	282,501	.004580	2,290,000	72,687	.257333	589,293	1,700,707
Ohio	10,591	33,605	3,351,507	.043516	21,758,000	922,402	.275220	5,988,237	15,769,763
Oklahoma	2,518	6,594	856,946	.013490	6,745,000	176,959	.206499	1,392,836	5,352,164
Oregon	2,008	6,122	835,715	.011296	5,648,000	160,746	.192345	1,086,365	4,561,635
Pennsylvania	11,712	37,065	3,864,363	.050342	25,171,000	934,110	.241724	6,084,435	19,086,565
Rhode Island	913	2,995	311,399	.003913	1,956,500	135,108	.433874	848,874	1,107,626
South Carolina	2,692	5,752	655,445	.012647	6,323,500	98,487	.150259	950,163	5,373,337
South Dakota	657	1,745	262,870	.004078	2,039,000	76,614	.291452	594,271	1,444,729
Tennessee	3,976	9,316	1,050,148	.018467	9,233,500	456,724	.434913	4,015,769	5,217,731
Texas	10,972	29,822	3,273,793	.049648	24,824,000	822,416	.251211	6,236,062	18,587,938
Utah	1,034	2,667	380,486	.006081	3,040,500	70,781	.186027	565,615	2,474,885
Vermont	422	1,178	158,410	.002339	1,169,500	29,370	.185404	216,830	952,670
Virginia	4,597	12,719	1,326,686	.019759	9,879,500	536,567	.404441	3,995,675	5,883,825
Washington	3,276	10,871	1,444,803	.017943	8,971,500	250,891	.173650	1,557,901	7,413,599
West Virginia	1,805	4,197	502,148	.008897	4,448,500	78,109	.155549	691,960	3,756,540
Wisconsin	4,213	13,220	1,824,438	.023960	11,980,000	519,687	.284847	3,412,467	8,567,533
Wyoming	315	946	157,236	.002158	1,079,000	37,589	.239061	257,947	821,053
U.S. total	199,861	625,068	75,969,970	1.000003	500,001,500			150,045,810	349,955,690

¹ State and local general revenues from own sources for fiscal years ending between July 1, 1966, and June 30, 1967.

² Includes school and special districts.

³ State share formula constant denominator 24,265,172.

⁴ Excludes school and special districts.

⁵ Revenue figure includes Federal payment.

Statistical source: Census Bureau, Governments Division.

5. *Guarantees funds for cities and counties.*—To place a minimum guarantee on the share of funds that cities and counties would receive, the Administration's bill stipulates that States must "pass-through" the same relative share of the total State allocation that the local jurisdiction raised in its own revenues as a percentage of total revenue in the State. Beyond that, a State would be precluded from cutting back on its own payments unless it secured the approval for a different plan of: (a) the State legislature, and (b) more than half the local government jurisdictions, and (c) jurisdictions accounting for more than half the State population.

Finally, it should be noted that only general purpose units of local government are among eligible recipients. To make a special purpose unit, like a school district or port district eligible would amount to *de facto* earmarking, since these units may only spend for specified purposes.

OTHER GRANT-IN-AID REFORMS

Besides revenue sharing, the Administration has initiated a number of important steps for reform of the existing grant-in-aid system. This, too, is a part of responsible decentralization.

Examples of reform measures undertaken are:

1. The President's April 30 proposed legislation to permit him to consolidate existing grant-in-aid categories if Congress, within 60 days, does not overrule an Administration proposal.

2. Efforts through the budget and legislative processes to combine related grant-in-aid categories.

3. The issuance of a Presidential Order on joint funding April 13, 1969.

4. And the restructuring of the regional boundaries of the major domestic agencies in the field so that their headquarters cities are the same and the regions which they cover conform.

On March 27, 1969, the President directed the 10 Federal agencies represented on the Urban Affairs Council and the Bureau of the Budget to work together in a concerted effort to modernize the management of our complex Federal system of grants to States and communities.

The effort is called the Federal Assistance Review (FAR). It has as its objectives streamlining and simplifying grant-in-aid program processes and structures and decentralizing their administration. In pursuit of these objectives, detailed studies are being

made of each Federal grant-in-aid program. Executive departments working in this effort will use these analyses to design, test, and implement new approaches to speed and simplify the delivery of Federal programs.

IMPACT OF REVENUE SHARING

Revenue sharing and other major domestic system reform proposals of the new Administration, particularly welfare and Food Stamps, will have a fundamental effect on American public finance. Projections of State and local expenditures for 1975 converge in the area of \$200 billion. Federal grants in that year could reach \$40 billion. It is estimated this would still leave a deficit of as much as \$15 billion in the general funds of States and localities, assuming only natural growth in revenues. Revenue sharing of \$5 billion by 1975 would absorb one-third of that deficit, that is, one-third of the required State-local tax increases that would be needed otherwise.

Based on these same calculations, revenue sharing would constitute 25% of the increase in Federal aid over that time period, bringing with it the needed leverage of flexible funds as opposed to more limited-purpose categorical aids.

The relationship of revenue sharing to the new Family Assistance Program is critical.

President Nixon specifically linked the two in his August 8 message on domestic program reform.

This tax-sharing proposal was pledged in the campaign; it has long been a part of the platform of many men in my own political party—and men in the other party as well. It is integrally related to the national welfare reform. *Through these twin approaches we hope to relieve the fiscal crisis of the hard-pressed State and local governments and to assist millions of Americans out of poverty and into productivity.* (Emphasis added.)

The tie between these two proposals is attributable to:

1. A philosophical kinship, involving the decentralization of power and initiative to lower levels of government and ultimately to individual citizens in need.

2. Fiscal complementary, with both programs providing relief from pressures on State and local budgets; and

3. Governmental systems reform, with revenue sharing strengthening political institutions and welfare reform ensuring the well-being of poor people.

Welfare is one of the largest and fastest growing areas of State and local expenditures, having risen 56% from 1965 to 1968. Removing welfare from the burner of State-local financial problem areas would, like revenue sharing, free both monetary and personnel resources to better cope with other problems.

Assuming State and local governments devote the same relative share of the resulting increase in funds to education as in the immediate past, it is reasonable to expect that roughly two-fifths of revenue sharing funds would find their way into education.

To summarize, the Administration's welfare reform, Food Stamp, and revenue sharing proposals in their first five full years of effect are designed to channel an estimated \$40 billion to \$45 billion of the Federal Government's growth dividend into the solution of the stubborn social problems of the poor and the alleviation of the fiscal problems of hard-pressed State and local governments.

Thus, I think it can be demonstrated that the Nixon Administration is committed to solving problems—not just talking about them. With your active support, we can look forward to:

- More effective programs;
- More responsive institutions; and
- More involved citizens.

TAX REFORM ACT OF 1969

The Senate resumed the consideration of the bill (H.R. 13270), the Tax Reform Act of 1969.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, what is the pending business as the Senate prepares to recess?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from Montana (Mr. METCALF).

RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 36 minutes p.m.) the Senate took a recess until tomorrow, Saturday, December 6, 1969, at 9 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate December 5, 1969:

NATIONAL HIGHWAY SAFETY BUREAU

Douglas William Toms, of Washington, to be Director of the National Highway Safety Bureau, vice William Haddon, Jr., resigned.

U.S. ATTORNEY

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years, vice Edward F. Boardman, resigned.

William J. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years, vice Floyd M. Buford, resigned.

Eugene E. Siler, Jr., of Kentucky, to be U.S. attorney for the eastern district of Kentucky for the term of 4 years, vice George I. Cline.

U.S. MARSHAL

William M. Johnson, of Georgia, to be U.S. marshal for the southern district of Georgia for the term of 4 years, vice James E. Luckie, resigned.

U.S. CIRCUIT COURT JUDGE

John J. Gibbons, of New Jersey, to be a U.S. circuit judge, third circuit, vice Gerald McLaughlin, retired.

U.S. MARSHAL

Loren Wideman, of Florida, to be U.S. marshal for the southern district of Florida for the term of 4 years, vice Guy W. Hixon, resigned.

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade of lieutenant general under the provisions of section 8962, title 10 of the United States Code:

Lt. Gen. James W. Wilson, FR (major general, Regular Air Force) U.S. Air Force.

IN THE NAVY

Having designated Rear Adm. Eugene P. Wilkinson, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of title 10, United States Code, section 5231, I nominate him for appointment to the grade of vice admiral while so serving.

Vice Adm. Arnold F. Schade, U.S. Navy, for appointment as Navy senior member of the Military Staff Committee of the United Nations pursuant to title 10, United States Code, section 711.

WITHDRAWALS

Executive nominations withdrawn from the Senate December 5, 1969:

U.S. ATTORNEY

James H. Walsh, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years, vice Edward F. Boardman, which was sent to the Senate on June 11, 1969.

OFFICE OF ECONOMIC OPPORTUNITY

William R. Ford, of Michigan, to be an Assistant Director of the Office of Economic Opportunity, vice William H. Crook, which was sent to the Senate on December 1, 1969.

CONFIRMATION

Executive nomination confirmed by the Senate December 5, 1969:

U.S. MINT

Hildreth Frost, Jr., of Colorado, to be assayer of the Mint of the United States at Denver, Colo.

EXTENSIONS OF REMARKS

NEW SCHOOL HONORS MEMORY OF TWO CONGRESSMEN BATES

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 3, 1969

Mr. CONTE. Mr. Speaker, tributes continue to be paid to our late beloved colleague, the Honorable William H. Bates of Massachusetts. On Veterans Day, November 11, 1969, the cornerstone for the new Bates Elementary School was laid in appropriate ceremonies in his home city of Salem.

Not only does this school honor the memory of Bill Bates, whose death on June 22 last, deeply saddened all of us, but it also honors his distinguished father and former mayor of Salem, Congressman George J. Bates, whose sudden

death in a plane accident here in Washington on November 1, 1949, led to his son's election as his successor.

I am advised that the Bates Elementary School is being constructed on Kernwood Avenue land donated to the city of Salem by the Kernwood Country Club. The \$2,500,000 structure is scheduled for completion and dedication in September of 1970 and will be one of the most well-appointed schools in Massachusetts. Its 22 classrooms will provide for three kindergarten classes and 19 classes from grade one through grade six.

In addition, there will be several rooms for special type classes and guidance purposes, a large community hall-gymnasium, and another hall combined with a cafeteria lunch area. Indeed, it appears that this new Bates School will fulfill the hope expressed at the cornerstone laying, that it will be a "worthy

monument" to the memory of two outstanding public servants, Congressmen George and William Bates.

Mr. Speaker, I feel the RECORD should include the following newspaper account of the Veterans Day ceremony at Salem, Mass.:

[From the Salem (Mass.) Evening News, Nov. 12, 1969]

MANY AT BATES SCHOOL CORNERSTONE PLACING

SALEM.—Despite turbulent weather a cornerstone ceremony for the new Bates Elementary School was held on Veterans Day with many members of the municipal family present.

The ceremony marked the first new school to be started in this city since 1962.

The family of the late Congressman George J. Bates Sr. and William H. Bates were present for the event.

U.S. Rep. Michael J. Harrington and Mayor Francis X. Collins also turned out for the historic moment.